

PEOPLE
affairs to be
Holly Land

سكس انا الاصل

INTERNATIONAL Herald Tribune

Published with The New York Times and The Washington Post

No. 29,715

PARIS, THURSDAY, AUGUST 24, 1978

Established 1887

Austria	125	Kenya	50
Belgium	20.85	Lebanon	62.25
Denmark	20.80	Luxembourg	20.15
Egypt	25.0	Morocco	2.50
France	2.50	Netherlands	1.50
Germany	2.50	Portugal	2.50
Greece	2.50	Spain	2.50
India	2.50	Sweden	2.50
Iran	2.50	Switzerland	2.50
Italy	2.50	Turkey	2.50
		U.S. dollar	1.00
		Yugoslavia	2.50

THE WEATHER — PARIS: Thursday, rainy, fair later on. Temp. 13-21 (55-70). Friday, fair. LONDON: Thursday, variable. Temp. 11-22 (52-72). Friday, partly cloudy. CHANNEL: Wednesday, strong breeze, fair. Temp. 10-20 (50-68). NEW YORK: Thursday, partly cloudy. Temp. 21-28 (69-79).

ADDITIONAL WEATHER — COMICS PAGE

Saudi Statement Helps

Dollar Edges Higher On Gold-Sale News

LONDON, Aug. 23 (AP-D) — The dollar finished generally higher today in uncertain foreign-exchange dealings, reacting to a U.S. announcement of increased gold sales and to expressions of confidence in the ailing currency by Saudi Arabia's Prince Fahd.

Gold prices fell sharply, however, following the U.S. Treasury's announcement late yesterday that it will increase the amount of gold offered at its monthly auctions to 750,000 ounces from the current 300,000 ounces.

A Treasury official called the move "one of the series of actions promised last week" to bolster the sagging dollar. The expanded auctions, which will run for four months beginning in November, will be conducted in dollars, the Treasury said. There had been speculation that foreign-currency bids might be invited and that the funds raised would be used to prop up the dollar in foreign-exchange trading.

The Treasury noted that "at the current price of gold, the balance-of-payments benefit would be more than \$1.8 billion at an annual rate. The continuing sales will also represent further progress toward elimination of the international monetary role of gold."

Below \$200
Meanwhile, gold ended the day at \$201.05 an ounce, down from its \$206.30 close yesterday but up from its morning trading in London at \$198.35 an ounce — the first time it fell below the \$200 level that was broken July 28. It was fixed at \$200.20 an ounce in the afternoon.

The dollar was also helped, dealers said, by the statement by Prince Fahd, brother of Saudi Arabia's King Khalid. He reaffirmed his country's faith in the dollar, and he said that Saudi Arabia was opposed to using the proposed basket of currencies as a substitute for the dollar in pricing oil.

During the day, the dollar edged up to its best level in more than two weeks against the Swiss franc and

the Deutsche mark. But selling pressure on the dollar from the Middle East and European centers began to dominate the foreign-exchange market. Later, U.S. banks entering the market tended to offer the U.S. currency, accelerating its late decline from the day's highs, traders said.

"Compared with last week, the dollar is relatively firm," a dealer remarked. "But people are waiting for more measures from the U.S. This may take some time, with Washington officials on holiday. But if no more measures are announced soon, the dollar will be in trouble."

Plenty of Sellers
Although many operators were hesitant to sell dollars short at these historically low levels, "there were plenty of sellers around, in Europe and the Middle East," a trader said.

This, he said, reflected both the continued lack of confidence in the dollar as well as the effect of the U.S. trade deficit. One partially offsetting factor, however, is the attraction of high U.S. interest rates, he noted.

Against the mark, the dollar hardly moved after West Germany announced a sharply reduced trade surplus in July. The dollar finished at 2.0080 marks, up from 1.9990 marks late yesterday but below its intraday high of 2.0230 marks.

Some dealers noted that the dollar has recently traded within a range of 1.9875 to 2.0225 marks, or narrowly around the 2-mark level.

They speculated that Bundesbank support could be providing the dollar with a floor at the lower end of the range and selling from Europe and the Middle East could be providing a ceiling. They added that the dollar could therefore remain within this range until U.S. intentions toward supporting its currency become clearer.

Unless U.S. officials make a further statement on the dollar, or take further action, trading is expected to remain flat, dealers said. (Continued on Page 7, Col. 7)



The president handles the tiller as the Carter family sets off on Idaho raft trip.

The Carters Run the Salmon River

ON THE SALMON RIVER, Idaho, Aug. 23 (UPI) — President Carter and his rafting party shot down the eight-foot Tappan Falls on the Salmon River today and got a little more excitement than they expected — the handle on the rear sweep of their raft snapped on a rock.

The waterfall ride occurred early in Mr. Carter's second day on the Middle Fork of the Salmon and signaled the start of rough water on his three-day journey.

Shortly after the 20-foot rubber

raft bobbed and bounced its way down the falls, the three-foot wooden board, or sweep, appeared to have hit the fabled "Widowmaker," a large rock in the churning water. The snapping impact nearly dropped skipper Norm Guth to his knees, but he quickly recovered and the raft was beached for repairs.

"There was absolutely no danger at all," said Dick Montgomery, who was piloting another raft.

The press corps traveling in rafts had gone ahead of the presi-

dent and watched his raft hurdle the falls and break its sweep.

The raft, carrying Mr. Carter, his wife, Rosalynn, his daughter, Amy, and sons Chip and Jack, was the third to shoot the falls. Mr. Carter, wearing a life jacket, sat on the starboard side with Amy in his lap and Mrs. Carter directly behind him.

The Carters got hardly a drop of water on them.

Mr. Carter wore a big smile as the raft headed over the falls, and (Continued on Page 2, Col. 2)

Demand Release of Prisoners

Attackers Hold 100 In Managua Palace

MANAGUA, Aug. 23 (AP) — Leftist guerrillas who shot their way into the National Palace yesterday in a daring assault against the Nicaraguan military government freed about 100 women and children hostages this morning, witnesses said. But the guerrillas were believed to be still holding more than 100 officials and legislators.

There were conflicting reports on how many hostages remained and on the number of guerrillas involved. It had been generally believed there were still 100 or more captives, but some of the freed hostages said there might be as many as 1,000 persons in the palace, along with up to 100 heavily armed guerrillas.

[United Press International reported that about 100 persons leaped from windows and escaped from the building this morning, among them the vice minister of housing, Ruben Garcia, and the president of the accounting court, Eduardo Casco Wasar.

[Four-hundred persons, mostly civil servants, were freed by the guerrillas but 400 to 500 others remained in the building, including about 40 to 60 actually held as hostages, UPI said.]

The guerrillas were demanding the release of all political prisoners, estimated at more than 120, safe conduct to Panama for those freed, for themselves and for any hostages they take with them, and \$10 million in cash.

The national guard, Nicaragua's army, said earlier it would not negotiate with the guerrillas until the women and children and the dead and wounded were removed. The government asked for 24 hours to study the demands since they involve other countries.

Death Threatened
A government source said that the guerrillas threatened to kill hostages, including two legislators, to demonstrate their determination.

They said they would kill Nicaraguan Chamber of Deputy members Francisco Arguello Pappay and Enrique Sanchez Endiccia and journalist Luis Manuel Martinez, a Cuban exile from the Castro regime.

Ambassadors Jose Maria Echeverry of Costa Rica and Carlos Boyd of Panama entered the palace just before 8 a.m. to negotiate with the guerrillas, who set a deadline of 7:30 p.m. GMT for slaying their hostages but by late tonight apparently had not carried out the threat.

The government asked the guerrillas for another 24 hours to consider their demands and issued a statement saying that before negotiations could begin "we must demand that you release the women, children, wounded and dead."

[In Mexico City, a dispatch by the official Cuban Prensa Latina news agency said that a second squad of Sandinista guerrillas had occupied the army barracks in Chalupas, Nicaragua, about 12 miles north of the border with Costa Rica.]

Among the hostages taken in the Tuesday attack, officials said, were a nephew and cousin of President Anastasio Somoza.

The 52-year-old president, whose heavily guarded offices are elsewhere, was not in the palace at the time. But Jose Somoza Abrego, the



Luis Pallais Debayle

president's nephew whose father is acting commander of the national guard, and Luis Pallais Debayle, a cousin who is deputy speaker of the lower house, were among those taken hostage.

More than 100 soldiers of the national guard spread out in a 10-block area around the palace. Other guardsmen in jeeps and armored personnel carriers set up roadblocks on highways leading out of Managua and patrolled city streets.

A spokesman for Pan American Airways in Guatemala City said the

(Continued on Page 2, Col. 6)

100 Israeli Veterans Declare

Their Opposition to Settlements

TEL AVIV, Aug. 23 (NYT) — One hundred veterans of the Israeli defense forces wrote to Prime Minister Menachem Begin yesterday stating that, if called up for military reserve duty, they would refuse to guard Jewish settlements in occupied Arab territories.

The petitioners, men and women and including some commissioned officers, said that the settlements are symbols of the government's "annexationist" and "rejectionist" policy and that they would rather go to jail than defend them.

They said they had pledged to take up arms to protect the well-being, security and sovereignty of the country, but that they would not shed their blood for a "Greater Israel." "Greater Israel" is the name of a movement that advocates Israeli annexation of the West Bank and the Gaza strip, which were part of the historic Jewish homeland.

The prime minister's office said that the letter will be answered in due course. But officials said that the tone of the letter and the identity of the signers showed the motive was political and propagandistic.

They pointed out that the woman and four men who delivered the letter to the prime minister's office in Jerusalem were accompanied by television cameramen and submitted to their direction.

Cites Fear of Weapon Use

France Cancels Contract On A-Plant for Pakistan

PARIS, Aug. 23 (NYT) — France has canceled an agreement to provide Pakistan with a nuclear reprocessing plant because of fears that the installation would produce plutonium which could be diverted for use in nuclear weapons.

The decision constitutes an important victory for President Carter, who has been seeking the cooperation of other Western countries to prevent the proliferation of nuclear weapons by the sale to developing countries of reprocessing equipment that produces fissionable material.

The cancellation of the contract was conveyed by French President Valery Giscard d'Estaing in a letter to Pakistan's military ruler, Gen. Muhammad Zia ul-Haq, who revealed its contents today.

"The letter was very polite," said Gen. Zia, in a press conference held in Rawalpindi. "But in military terms we would say that, although it was full of sentiments, it was a lemon." For more than a year, the French government had been seeking a change in its contract with the Pakistanis. Last September, France proposed to Pakistan a modification in the fuel reprocessing plant to insure that it would not produce pure plutonium.

According to French officials, under this proposed new process it would have taken Pakistan 15 to 20 years to use the plutonium. But the Pakistanis rejected any major change in the original specifications of the plant.

Gen. Zia, in his press conference today which was reported here, repeated that his country had "assured everyone we have no reason to wish for nuclear proliferation, but we cannot stay behind other nations in nuclear technology."

Pakistan had also been under pressure from the United States, which threatened to cut off all but humanitarian aid if the reprocessing plant was delivered according to its original specifications.

Widespread Fears
The French-Pakistan contract for the nuclear installation, signed in 1976, came two years after India exploded a nuclear device. There had been widespread fears that Pakistan would divert plutonium from the reprocessing plant and seek to build a nuclear bomb to counter India's breakthrough.

On a visit to India last January, President Carter tried unsuccessfully to convince Prime Minister Morarji Desai to accept stronger international safeguards for India's nuclear energy program.

But a few days later on a visit to France, President Carter elicited a sympathetic response from President Giscard d'Estaing on the dangers of nuclear proliferation posed by the reprocessing plant for Pakistan.

The French decision to cancel the contract with the Pakistanis leaves West Germany isolated on (Continued on Page 2, Col. 8)

By Ex-Officer of CIA

U.S. Spy-Satellite Manual Allegedly Sold to Russia

By Thomas O'Toole and Charles R. Babcock

WASHINGTON, Aug. 23 (WP) — A former officer of the CIA who was arrested last week for passing secrets to the Russians is alleged to have sold them a technical manual describing the "Big Bird" photographic satellite that spies on the Soviet Union from Earth orbit.

Intelligence sources said yesterday that the top-secret document was gone for almost a year before its absence was noticed. A CIA search for the manual began only after FBI agents asked whether it was missing.

The loss of the manual has led to a wholesale review of CIA security procedures, both by the CIA and the Senate Intelligence Committee, sources said.

The Big Bird is no more than 5 years old. More than a dozen of the 12-ton units have been put into Earth orbit by the United States to take pictures of Soviet missile sites, submarine bases, naval installations, airfields and troop movements.

Detailed Photographs
The photographs taken by Big Bird are so detailed that they can distinguish between civilians and people in military uniform, and can pick out the makes of automobiles, even read their license plates.

When former CIA watch officer William Kampiles was arrested in Chicago last week, federal government sources said that he had done the United States "irreparable

harm." In selling technical material to the Soviet Union.

The government sources last week did not mention Big Bird, alleging only that Mr. Kampiles had sold secrets of a classified system known as KH-11.

Intelligence sources said yesterday that KH-11, or Keyhole 11, was the CIA code name for the Big Bird photographic reconnaissance satellite.

Harm Difficult to Measure
These sources said it is difficult to measure how much the Russians have profited from the manual describing Big Bird. They cannot build such a satellite of their own from the manual, but they may be able to identify weaknesses in the satellite and protect their secret installations accordingly, some experts suggested.

One source said that it would do the United States little harm. "The Russians know this satellite has been in orbit taking pictures of their country for some time," the source said. "Getting their hands on the manual doesn't stop the satellite and doesn't stop the pictures."

Senate Intelligence Committee members asked pointed questions of CIA officials during a closed briefing on the case last Friday, according to sources. Members wanted to know how Mr. Kampiles, 23, a low-level watch officer who left the CIA after eight months in 1977,



William Kampiles

could have walked off with a top-secret document without it being noticed for nearly a year.

Mr. Kampiles was arrested a few days after he allegedly told an FBI agent about selling the secret satellite manual to a Soviet diplomat in Athens earlier this year. Mr. Kampiles is the son of Greek immigrants.

FBI Suspicions
Intelligence sources said that the FBI became suspicious of Mr. Kampiles when he wrote a letter to a CIA colleague saying that he was in contact with and had received money from the Russians. He allegedly volunteered to spread "disinformation" to them.

Mr. Kampiles was questioned by an agent from the FBI's Washington field office early last week, and he explained finally how he had contacted the Russians on a trip to Athens in February, according to sources.

A CIA security officer told the (Continued on Page 2, Col. 4)

Hammer Dedicates Plant In Huge U.S.-Soviet Deal

ODESSA, U.S.S.R., Aug. 23 (UPI) — Armand Hammer, an American with a knack for trading with the Soviet Union, opened a plant yesterday that is the backbone of what is said to be the biggest East-West business deal in history.

Mr. Hammer, chairman of Occidental Petroleum, dedicated a huge ammonia storage facility on the Black Sea and proclaimed it the "crowning achievement" of his relationship with the Soviet Union.

Mr. Hammer, 80, led reporters and guests through a tour of the facility, which is part of a 20-year, \$20 billion deal that involves a swap of Soviet ammonia, urea and potash for U.S. superphosphoric acid.

"Even though diplomatic relations are somewhat strained, as they have been off and on, I firmly believe that this plant stands as the latest example of what can be done when men of reason and goodwill work together to accomplish common goals," Mr. Hammer said.

"I have often said and I truly believe that trade is one of the basic common denominators for communication. Where there is communication, there is understanding and reason, where there is understanding and reason, there will be peace."

Poor Relations
Mr. Hammer, whose relationship with the Soviet Union has included everything from humanitarian gestures that have won him state awards to plans for a golf course for Western businessmen near Moscow, conceded that relations are poor.

"They have reached the stage where they can't get much worse," he said. "The only hope is that they will turn around and get better."

Mr. Hammer, who said that the arrangement is the biggest business deal in history between the Soviet Union and a Western interest, said that the plan was conceived in 1964. A contract was signed in 1973.

Under the arrangement, Occidental will ship a million tons of superphosphoric acid to the Soviet Union in exchange for ammonia, urea and potash.

Occidental has agreed to pay hard currency for the ammonia during the first 10 years. The Soviet Union will use the money to pay off the construction debt.

The plant is a collection of pipes and valves snaking through huge storage tanks, where the ammonia is held at constant temperatures before it is piped to tankers waiting in Gregoriev Lagoon.

The Soviet Union currently transports ammonia to the plant in railroad tank cars, but a pipeline is under construction.

When it is completed, the plant will also be able to take in the superphosphoric acid, which must be kept at a constant high temperature. The materials are used for fertilizer production.

U.S. Reportedly Destroyed Test Missile With Laser Beam

By Malcolm W. Browne

NEW YORK, Aug. 23 (NYT) — In the first successful demonstration of its kind, U.S. military scientists are said to have destroyed a high-speed missile in flight using a powerful prototype laser-beam weapon.

The successful test was disclosed in an article by Philip Klase in the Journal Aviation Week & Space Technology, through which the Department of Defense frequently publicizes technological developments.

A laser weapon powerful, practical and cheap enough to deploy against missiles could revolutionize existing concepts of defense and military strategy. In theory, it could neutralize such primary attack and deterrent systems as submarine-launched ballistic missiles and land-based intercontinental missiles, and all such systems could become obsolete overnight.

Conventional missiles or projectiles take a certain amount of time to reach a swiftly moving group of targets. During this time, errors may deflect the trajectories of the anti-missile missiles, and the enemy may have time to take countermeasures to disable the anti-missile defense.

Instant Destruction
A laser defense could destroy the incoming warheads or missiles instantaneously.

The successful test reportedly was conducted "some time earlier this year" at the San Juan Capistrano, Calif., facility of the Defense and Space Systems Group of TRW Inc., which had built the laser for the Navy and the Defense Advanced Research Projects Agency.

The "death ray" has been a familiar weapon in the arsenal of science fiction for many years. But despite rapid developments in laser technology, many scientists had assumed that real death rays in the form of laser weapons were still a long way off.

In fact, a Pentagon spokesman said that the development of laser weapons was still "very much in the feasibility study stage," and "we still don't know whether they will prove in the long run to be cost-effective, practical weapons."

Although the Navy appears to be the prime mover in current laser weapons research, all three services are interested and involved, and the Air Force is to conduct high-power laser tests against drone targets next year.

The spokesman emphasized that the recent California test had involved a "test bed" and not a working weapon, and that "dramatic" though it was, its intention was mainly to test the effectiveness of the pointing and tracking system.

But the dramatic success of the San Juan Capistrano test appears to demonstrate both the potency of the laser weapon and the accuracy of the pointing and target-tracking system that was developed by Hughes Aircraft Co.

The laser reportedly used deuterium fluoride gas as the "lasing" medium. Deuterium is a form of hydrogen containing an extra neutron in addition to the single proton in its nucleus. Deuterium fluoride is thus chemically similar to hydrogen fluoride, a dangerously reactive gas.

Beyond saying that the laser emitted light at a wavelength of 3.8 microns, and was of "relatively moderate" power, the spokesman declined to disclose any of its other characteristics on grounds of secrecy.

The spokesman noted that a "high energy" laser is defined as one with an average power of at least 20 kilowatts or a pulsed power of at least 30 kilojoules. The power of the California test laser was presumably lower than these values.

Although officials said that major doubts remain about the future of the laser weapons development program, they said that the program could possibly produce a weapon by 1982.

The Defense Department spokesman said that successful tests of laser devices as anti-aircraft weapons had been carried out by the Air Force in 1973 and by the Army in 1976, against winged or helicopter drone aircraft. But the latest test was the first in which a high-speed missile was destroyed.

The word "laser" is an acronym for "light amplification by stimulated emission of radiation."

Like ordinary light, laser light can be produced in various wavelengths (colors) and intensities. But unlike ordinary light, laser light is emitted "coherently" at an exact, single wavelength.

Energy Retained
A laser beam travels in a straight, intense beam, unlike the spreading, diffuse beam produced by ordinary light. Because of this special characteristic, the light in a laser beam retains most of the energy it started out with, and can carry that energy over relatively great distances. Laser energy is converted to intense heat when transferred to the target at which it is directed.

Many uses have been found for lasers. Surgeons use them for making ultra-fine cuts in tissue. Chemists use them to study rapid molecular reactions.

Lasers are common tools for metallurgists, research scientists developing nuclear fusion energy, atomic weapons makers, discotheque owners and clerks taking stock inventories in super markets.

They have also found many military uses, such as aiming beams on which guided missiles can be directed to their targets.

Formidable Problem
Although laser beams conserve much of their initial energy, the problem of imparting enough energy in them to explode an enemy warhead, destroy an enemy missile or plane, or kill human beings, has proved formidable.

Some reports have suggested that the Soviet Union was significantly ahead of the United States in laser weapon research, but a (Continued on Page 2, Col. 3)

Brown Vows to Keep Option

U.S. Firm on Mobile Missiles

By Don Oberdorfer

WASHINGTON, Aug. 23 (UPI) — In a statement intended for both Soviet and U.S. ears, Secretary of Defense Harold Brown declared yesterday that the United States will retain the option of deploying a "shell game" mobile-missile system in the strategic arms agreement being negotiated.

Guerrillas Kill 9 Soldiers

UN Aide Leaves Namibia With Ideas on Transition

By John Burns

JOHANNESBURG, Aug. 23 (UPI) — The first step toward a United Nations-supervised transition to black majority rule in South-West Africa (Namibia) was completed yesterday when Martti Ahtisaari of Finland, the UN special representative for the territory, left for New York to report to Secretary-General Kurt Waldheim.

After a two-week visit, the Finnish diplomat carried with him a range of recommendations for Mr. Waldheim on the steps necessary to implement the Security Council's plan to end South African rule of the territory. The plan, approved last month, would make the territory an independent African state called Namibia next year.

Nine South African soldiers were killed early today in a guerrilla attack on two small towns, the South African Defense Department said, according to the Associated Press. The nine were killed by a single shell during a two-hour artillery duel with the South-West African People's Organization (SWAPO) guerrillas, who began their barrage from bases in Zambia, defense headquarters in Pretoria announced.

It was the most South African deaths in one engagement since the war began, and the first guerrilla use of artillery and rockets. Before boarding his U.S. military transport outside Windhoek, the territory's capital, Mr. Ahtisaari read a statement emphasizing the efforts that his delegation had made to overcome suspicions among local political groups. The territory's 90,000 whites, in particular, have accused the United Nations of favoring SWAPO.

"I am particularly heartened by the fact that all the parties I contacted acknowledged the cardinal importance of our mandate within the Security Council resolution," Mr. Ahtisaari said. "In this connection I should like to think that my mission has made a positive contribution in dispelling the initial misgivings about our impartiality by parties who are not familiar with operations of this nature by the UN secretariat."

Mr. Ahtisaari's departure followed a final three-hour meeting with Martinus Steyn, the South African administrator-general, who with Mr. Ahtisaari will oversee the transition to black rule. Under the UN plan, the two men, assisted by a UN peacekeeping force and a corps of civilian administrators from the world body, will seek to negotiate a cease-fire and hold a one-man, one-vote election among the territory's 860,000 people.

At a reception given by Mr. Steyn Monday night, neither man attempted to obscure differences over key aspects of the independence plan, which could yet prompt the South African government to halt the process and adopt an independence scheme of its own that would exclude SWAPO.

A major stumbling block could be the timing of elections. The UN plan calls for two rounds, the first to establish a constitution-making body, the second for a black government. South Africa has interpreted the plan as requiring completion of the entire process this year. Mr. Ahtisaari and his officials have indicated that the earliest practical date for independence will be sometime next year.

The dispute aligns the South Africans with a political grouping of white moderates and conservatives and black tribal leaders known as the Democratic Turnhalle Alliance. The alliance favors early elections.

SWAPO, noting a provision in the UN plan for a seven-month transitional process, has insisted that elections be deferred until after the end of the year. The nationalist group, which has maintained an internal political network while fighting South African forces, has been limited in its campaigning by restrictions on mobility and free speech imposed by the authorities.

Another problem involves the registration of voters. Before the Security Council approved the independence plan, South Africa undertook a registration drive that attracted more than 80 percent of an

Mr. Brown suggested — but did not say explicitly — that the Carter administration would refuse to sign a SALT II pact that foreclosed the plan to move at random hundreds of U.S. land-based intercontinental nuclear missiles among thousands of concrete-lined silos.

The plan is designed to make it nearly impossible for the Soviet Union to be certain where the U.S. missiles are at any given time, thus complicating any Soviet attempt to destroy them in a surprise attack.

Such a deployment, which is being advocated by some elements of the civilian and uniformed command of the Carter administration and by prominent outside critics of SALT, also would complicate the process of verifying compliance with strategic arms limitations.

Definitive Restatement
Mr. Brown's remarks to the national convention of the American Legion, meeting in New Orleans, were described by Defense Department officials as a definitive and authorized restatement of the administration viewpoint on the "shell game" idea, which is also known as the "multiple aim point" (MAP) system.

According to Mr. Brown, "the parts of the joint draft text of the SALT II agreement that have already been agreed by U.S. and Soviet negotiators" allow deployment of mobile ICBM systems of the type we are considering.

This U.S. interpretation is reported to have been presented by Paul Warnke, director of the Arms Control and Disarmament Agency, to Soviet negotiator Vladimir Semenov last month in Geneva. Carter administration officials have been reluctant to characterize the Soviet response, but one knowledgeable official said that the Russians "categorically rejected" the U.S. interpretation.

New Assurance
Mr. Brown's statement yesterday, in this perspective, is being read as a shot across the Soviet bow by high levels of the Carter administration as well as new assurance to domestic backers of the "shell game."

Mr. Brown noted that "no decision has been made whether or not to deploy mobile ICBM systems" of this or any other sort of land-based missiles, even though the United States maintains that it is permitted this option under the draft text of the SALT agreement.

He said that the "shell game" is only one of a number of mobile ICBM concepts being evaluated as methods of enhancing the survivability of U.S. land-based missiles. Any mobile missile-based system would have to be "fully consistent" with verification provisions of a strategic arms agreement, he said. "The United States will not deploy a mobile ICBM system that would not permit adequate verification of the number of launchers deployed, and other provisions of the agreement," Mr. Brown said.

Mr. Carter said that yesterday was a "very good day" despite some rain, peep-sized hail, chilly temperatures and running around in shallow water. Today, some back-country hiking was to be added to the itinerary.

Mr. Carter remarked to an aide — who relayed the comment to a press about a mile behind — "It was nice that I caught a lot of fish and nice that I don't have to comment to the press about it."

The first 32 miles of the Middle Fork of the Salmon was relatively calm. Jagged mountains covered with ponderosa pine and Douglas fir soared a thousand feet above the waters and a golden eagle with a six-foot wingspan swooped over the rafts just before dusk.

Mr. Carter added that "the United States joins the government and people of Kenya in mourning the loss of this great man."

Ethiopia's leader, Lt. Col. Mengistu Haile Mariam, said Mr. Kenyatta was "one of Africa's foremost freedom-fighters and leaders."

"With him has gone the noble figure of an independence fighter of his country and all the African nations dominated by colonialism," said Italian President Sandro Pertini.

Despite strained relations between the two nations, Tanzania mourned the death. Tanzania sealed their common border 18 months ago after accusing Kenya of deliberately breaking up the defunct East African Community.

Tanzanian President Julius Nyerere said Mr. Kenyatta "was an inspiration to millions of African people."

Joseph Chinamano, vice president of Joshua Nkomo's Zimbabwe African People's Union, said: "In Kenyatta's death, Africa mourns for one of its best products. He was the pride of Africa and the Africans. He was a born freedom-fighter who fought, sacrificed and suffered for what he believed was right — for the liberation of Kenya and for the liberation of Africa."

Israeli President Yitzhak Navon, in a cable of condolence, called him "a great leader and statesman and father of free and independent Kenya."

At Vatican City, the cardinals of the Roman Catholic Church expressed their condolences to the people of Kenya.

Mr. Kenyatta died peacefully in his sleep at the old statehouse in the port of Mombasa, overlooking the Indian Ocean. His body was immediately flown back to the capital, where the cabinet went into emergency session.

The body was to lie in state at Nairobi's statehouse for up to 10 days.

Under the constitution, a permanent successor will be chosen within a 90-day period. During that time, Mr. Arap Moi has no powers to interfere or change the country's established institutions and procedures.

After predicted bitter infighting, especially among Mr. Kenyatta's dominant Kikuyu tribe, the country's lone political party, the Kenya African National Union, will choose a successor, whose name will then be presented to the voters for endorsement.

Mr. Kenyatta did not groom any heir, and several prominent Kenyans are considered candidates, including Mr. Arap Moi, Finance Minister Mwai Kibaki, former Foreign Minister Njoroge Mungai and Attorney General Charles Njonjo.

The cabinet for the second straight day met in emergency session to discuss plans for the state funeral and succession.

Meanwhile, world leaders hailed Mr. Kenyatta. President Carter called him a "giant of the African independence struggle" and said that "his voice will be missed in the councils of Africa and the world."

missiles are at any given time, thus complicating any Soviet attempt to destroy them in a surprise attack.

Such a deployment, which is being advocated by some elements of the civilian and uniformed command of the Carter administration and by prominent outside critics of SALT, also would complicate the process of verifying compliance with strategic arms limitations.

Definitive Restatement
Mr. Brown's remarks to the national convention of the American Legion, meeting in New Orleans, were described by Defense Department officials as a definitive and authorized restatement of the administration viewpoint on the "shell game" idea, which is also known as the "multiple aim point" (MAP) system.

According to Mr. Brown, "the parts of the joint draft text of the SALT II agreement that have already been agreed by U.S. and Soviet negotiators" allow deployment of mobile ICBM systems of the type we are considering.

This U.S. interpretation is reported to have been presented by Paul Warnke, director of the Arms Control and Disarmament Agency, to Soviet negotiator Vladimir Semenov last month in Geneva. Carter administration officials have been reluctant to characterize the Soviet response, but one knowledgeable official said that the Russians "categorically rejected" the U.S. interpretation.

New Assurance
Mr. Brown's statement yesterday, in this perspective, is being read as a shot across the Soviet bow by high levels of the Carter administration as well as new assurance to domestic backers of the "shell game."

Mr. Brown noted that "no decision has been made whether or not to deploy mobile ICBM systems" of this or any other sort of land-based missiles, even though the United States maintains that it is permitted this option under the draft text of the SALT agreement.

He said that the "shell game" is only one of a number of mobile ICBM concepts being evaluated as methods of enhancing the survivability of U.S. land-based missiles. Any mobile missile-based system would have to be "fully consistent" with verification provisions of a strategic arms agreement, he said. "The United States will not deploy a mobile ICBM system that would not permit adequate verification of the number of launchers deployed, and other provisions of the agreement," Mr. Brown said.

Mr. Carter said that yesterday was a "very good day" despite some rain, peep-sized hail, chilly temperatures and running around in shallow water. Today, some back-country hiking was to be added to the itinerary.

Mr. Carter remarked to an aide — who relayed the comment to a press about a mile behind — "It was nice that I caught a lot of fish and nice that I don't have to comment to the press about it."

The first 32 miles of the Middle Fork of the Salmon was relatively calm. Jagged mountains covered with ponderosa pine and Douglas fir soared a thousand feet above the waters and a golden eagle with a six-foot wingspan swooped over the rafts just before dusk.

Mr. Carter added that "the United States joins the government and people of Kenya in mourning the loss of this great man."

Ethiopia's leader, Lt. Col. Mengistu Haile Mariam, said Mr. Kenyatta was "one of Africa's foremost freedom-fighters and leaders."

"With him has gone the noble figure of an independence fighter of his country and all the African nations dominated by colonialism," said Italian President Sandro Pertini.

Despite strained relations between the two nations, Tanzania mourned the death. Tanzania sealed their common border 18 months ago after accusing Kenya of deliberately breaking up the defunct East African Community.

Tanzanian President Julius Nyerere said Mr. Kenyatta "was an inspiration to millions of African people."

Joseph Chinamano, vice president of Joshua Nkomo's Zimbabwe African People's Union, said: "In Kenyatta's death, Africa mourns for one of its best products. He was the pride of Africa and the Africans. He was a born freedom-fighter who fought, sacrificed and suffered for what he believed was right — for the liberation of Kenya and for the liberation of Africa."

Israeli President Yitzhak Navon, in a cable of condolence, called him "a great leader and statesman and father of free and independent Kenya."

At Vatican City, the cardinals of the Roman Catholic Church expressed their condolences to the people of Kenya.

Mr. Kenyatta died peacefully in his sleep at the old statehouse in the port of Mombasa, overlooking the Indian Ocean. His body was immediately flown back to the capital, where the cabinet went into emergency session.

The body was to lie in state at Nairobi's statehouse for up to 10 days.

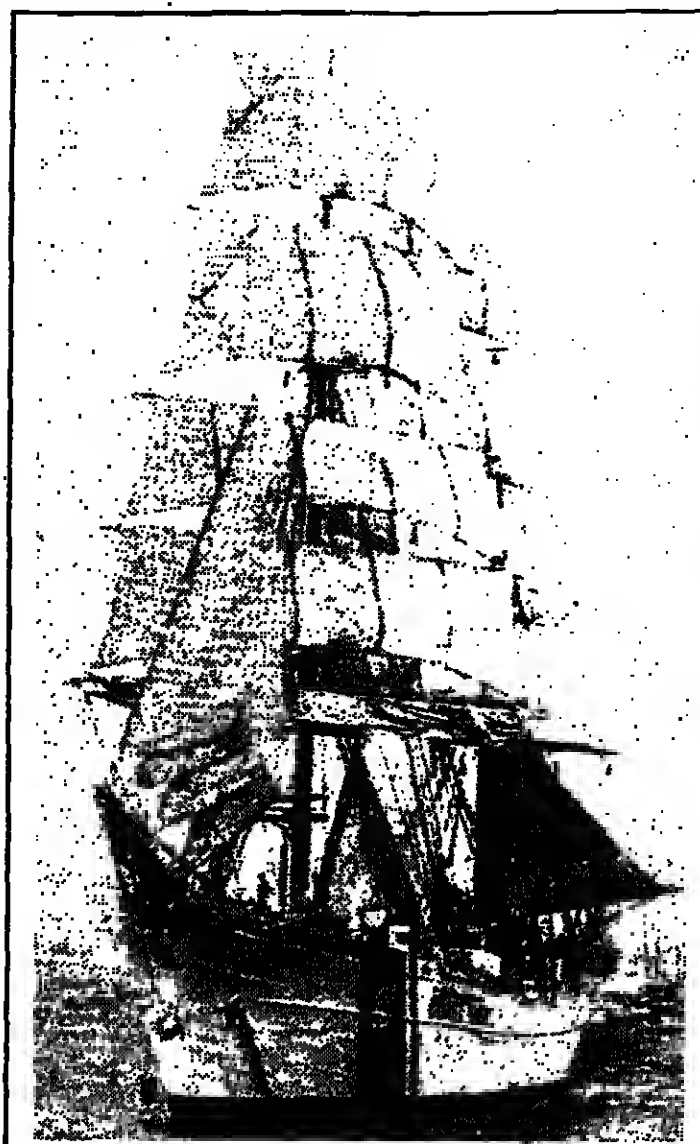
Under the constitution, a permanent successor will be chosen within a 90-day period. During that time, Mr. Arap Moi has no powers to interfere or change the country's established institutions and procedures.

After predicted bitter infighting, especially among Mr. Kenyatta's dominant Kikuyu tribe, the country's lone political party, the Kenya African National Union, will choose a successor, whose name will then be presented to the voters for endorsement.

Mr. Kenyatta did not groom any heir, and several prominent Kenyans are considered candidates, including Mr. Arap Moi, Finance Minister Mwai Kibaki, former Foreign Minister Njoroge Mungai and Attorney General Charles Njonjo.

The cabinet for the second straight day met in emergency session to discuss plans for the state funeral and succession.

Meanwhile, world leaders hailed Mr. Kenyatta. President Carter called him a "giant of the African independence struggle" and said that "his voice will be missed in the councils of Africa and the world."



TALL EAGLE — Under full sail, the U.S. Coast Guard training ship Eagle slips into port at Seattle. The vessel, 295 feet long with three masts, is one of the 12 remaining "tall ships" in the world. It is equipped with air-conditioned crew's quarters, a dishwasher, two radars, and a sophisticated communications room. Built in 1936 as a training ship for the German Navy, the Eagle was confiscated by the United States 10 years later as part of war reparations.

U.S. Spy-Satellite Manual Allegedly Sold to Russia

(Continued from Page 1)

FBI last week that a copy of the satellite manual was missing from the center where Mr. Kampiles worked. It is not known whether other classified documents are missing, sources said yesterday.

Mr. Kampiles is a 1975 graduate of Indiana University. He worked at the CIA from March to November of last year.

In his capacity as watch officer, he received and relayed top-secret messages. He also had access to the storage drawer where the manual was located. Sources said he told the FBI that he put the document in the inner pocket of his sports coat one day and took it home.

Although intelligence community officials have voiced fears about proceeding with the case because of the classified material involved, there seems little doubt that the Justice Department will move to indict Mr. Kampiles. "We fully intend to go forward," a spokesman said yesterday.

Sources close to the CIA said they were surprised that a watch officer had access to a document describing what is generally regarded as the most secret intelligence satellite built by the United States.

"Normally, these documents are kept in a safe and are never kept anywhere near a watch office," one source said.

The multibillion-dollar Big Bird satellite program is managed jointly by the Pentagon and the CIA. In the last five years more than a dozen of the satellites have been launched into a polar orbit that takes each of them over the same place on earth every two weeks.

The satellites are equipped with cameras that take black-and-white, color and infrared photographs. The cameras send their photos back electronically.

"The resolution of these cameras is superb," one source said. "There's almost no way you can camouflage things or hide things from these cameras."

The satellites follow orbits that take them as close as 90 miles from the earth. Normally, their low points occur over the Soviet Union. The 12-ton satellites carry engines that can lift them into higher orbits and enough fuel to keep them in orbit for a year at a time.

The satellites are equipped with cameras that take black-and-white, color and infrared photographs. The cameras send their photos back electronically.

"The resolution of these cameras is superb," one source said. "There's almost no way you can camouflage things or hide things from these cameras."

The satellites follow orbits that take them as close as 90 miles from the earth. Normally, their low points occur over the Soviet Union. The 12-ton satellites carry engines that can lift them into higher orbits and enough fuel to keep them in orbit for a year at a time.

The satellites are equipped with cameras that take black-and-white, color and infrared photographs. The cameras send their photos back electronically.

"The resolution of these cameras is superb," one source said. "There's almost no way you can camouflage things or hide things from these cameras."

The satellites follow orbits that take them as close as 90 miles from the earth. Normally, their low points occur over the Soviet Union. The 12-ton satellites carry engines that can lift them into higher orbits and enough fuel to keep them in orbit for a year at a time.

The satellites are equipped with cameras that take black-and-white, color and infrared photographs. The cameras send their photos back electronically.

"The resolution of these cameras is superb," one source said. "There's almost no way you can camouflage things or hide things from these cameras."

Warns Against Demand in Summit

Begin Unyielding on Settlers

JERUSALEM, Aug. 23 (UPI) — Prime Minister Menachem Begin, his government weakened by a split in a major coalition party, warned today that demands for dismantling of Israeli settlements in occupied territory would bar any agreement at the coming Camp David summit.

Speaking to members of his governing Likud bloc, Mr. Begin said that he was torn between his support for the creation of more Jewish settlements in the West Bank and the need to maintain U.S. backing.

But he said that "if demands for the dismantling of settlements are made at Camp David, there will be no agreement."

His remarks were quoted by the state-run radio network.

Mr. Begin said that Israel would seek a substantive accord at the Sept. 3 summit, and in any case would survive to evolve a framework for follow-up negotiations.

He said he did not think that the United States was laying a trap for Israel at the summit, but he acknowledged that he might return home empty-handed and that Israel would then experience "difficult days."

A split in the centrist party in Begin's coalition government earlier today weakened his parliamentary base.

Although two of the Democratic Movement for Change Party's three factions broke away from the coalition, Mr. Begin still had a majority in the 120-member Knesset (parliament).

As Mr. Begin's government weathered the crisis, Transport Minister Meir Amit accused the West of "cowardice, short-sightedness and incapacity to deal with reality." He spoke at the funeral of El Al Airlines stewardess Irit Gidron, who was slain Sunday by Arab terrorists in London.

The split in the Democratic Movement for Change left one faction expected to remain in Mr. Begin's government and the other two factions joining the opposition.

'Sad Moment'
"Today we are in a sad moment," said Deputy Prime Minister Yigal Yadin, leader of the Democratic Movement faction that will probably remain in the coalition. He said his comrades "could not continue on the same political path, despite the fact that the platform... is acceptable to us all."

Mr. Yadin blamed the break mainly on "differences of opinion" between his faction and the Change faction of law professor Amnon Rubinstein. Another splinter group is headed by Mr. Amit, a former military intelligence and security services chief.

The break came after weeks of private and public backbiting and meant that Mr. Begin's 78-vote majority bloc in the Knesset might be reduced to 71.

Mr. Begin's government was weakened by a split in a major coalition party, warned today that demands for dismantling of Israeli settlements in occupied territory would bar any agreement at the coming Camp David summit.

Speaking to members of his governing Likud bloc, Mr. Begin said that he was torn between his support for the creation of more Jewish settlements in the West Bank and the need to maintain U.S. backing.

But he said that "if demands for the dismantling of settlements are made at Camp David, there will be no agreement."

His remarks were quoted by the state-run radio network.

Mr. Begin said that Israel would seek a substantive accord at the Sept. 3 summit, and in any case would survive to evolve a framework for follow-up negotiations.

He said he did not think that the United States was laying a trap for Israel at the summit, but he acknowledged that he might return home empty-handed and that Israel would then experience "difficult days."

A split in the centrist party in Begin's coalition government earlier today weakened his parliamentary base.

Although two of the Democratic Movement for Change Party's three factions broke away from the coalition, Mr. Begin still had a majority in the 120-member Knesset (parliament).

As Mr. Begin's government weathered the crisis, Transport Minister Meir Amit accused the West of "cowardice, short-sightedness and incapacity to deal with reality." He spoke at the funeral of El Al Airlines stewardess Irit Gidron, who was slain Sunday by Arab terrorists in London.

The split in the Democratic Movement for Change left one faction expected to remain in Mr. Begin's government and the other two factions joining the opposition.

'Sad Moment'
"Today we are in a sad moment," said Deputy Prime Minister Yigal Yadin, leader of the Democratic Movement faction that will probably remain in the coalition. He said his comrades "could not continue on the same political path, despite the fact that the platform... is acceptable to us all."

Mr. Yadin blamed the break mainly on "differences of opinion" between his faction and the Change faction of law professor Amnon Rubinstein. Another splinter group is headed by Mr. Amit, a former military intelligence and security services chief.

The break came after weeks of private and public backbiting and meant that Mr. Begin's 78-vote majority bloc in the Knesset might be reduced to 71.

Mr. Begin's government was weakened by a split in a major coalition party, warned today that demands for dismantling of Israeli settlements in occupied territory would bar any agreement at the coming Camp David summit.

Speaking to members of his governing Likud bloc, Mr. Begin said that he was torn between his support for the creation of more Jewish settlements in the West Bank and the need to maintain U.S. backing.

But he said that "if demands for the dismantling of settlements are made at Camp David, there will be no agreement."

path, despite the fact that the platform... is acceptable to us all."

Mr. Yadin blamed the break mainly on "differences of opinion" between his faction and the Change faction of law professor Amnon Rubinstein. Another splinter group is headed by Mr. Amit, a former military intelligence and security services chief.

The break came after weeks of private and public backbiting and meant that Mr. Begin's 78-vote majority bloc in the Knesset might be reduced to 71.

Mr. Begin's government was weakened by a split in a major coalition party, warned today that demands for dismantling of Israeli settlements in occupied territory would bar any agreement at the coming Camp David summit.

Speaking to members of his governing Likud bloc, Mr. Begin said that he was torn between his support for the creation of more Jewish settlements in the West Bank and the need to maintain U.S. backing.

But he said that "if demands for the dismantling of settlements are made at Camp David, there will be no agreement."

His remarks were quoted by the state-run radio network.

Mr. Begin said that Israel would seek a substantive accord at the Sept. 3 summit, and in any case would survive to evolve a framework for follow-up negotiations.

He said he did not think that the United States was laying a trap for Israel at the summit, but he acknowledged that he might return home empty-handed and that Israel would then experience "difficult days."

A split in the centrist party in Begin's coalition government earlier today weakened his parliamentary base.

Although two of the Democratic Movement for Change Party's three factions broke away from the coalition, Mr. Begin still had a majority in the 120-member Knesset (parliament).

As Mr. Begin's government weathered the crisis, Transport Minister Meir Amit accused the West of "cowardice, short-sightedness and incapacity to deal with reality." He spoke at the funeral of El Al Airlines stewardess Irit Gidron, who was slain Sunday by Arab terrorists in London.

The split in the Democratic Movement for Change left one faction expected to remain in Mr. Begin's government and the other two factions joining the opposition.

'Sad Moment'
"Today we are in a sad moment," said Deputy Prime Minister Yigal Yadin, leader of the Democratic Movement faction that will probably remain in the coalition. He said his comrades "could not continue on the same political path, despite the fact that the platform... is acceptable to us all."

Mr. Yadin blamed the break mainly on "differences of opinion" between his faction and the Change faction of law professor Amnon Rubinstein. Another splinter group is headed by Mr. Amit, a former military intelligence and security services chief.

The break came after weeks of private and public backbiting and meant that Mr. Begin's 78-vote majority bloc in the Knesset might be reduced to 71.

Mr. Begin's government was weakened by a split in a major coalition party, warned today that demands for dismantling of Israeli settlements in occupied territory would bar any agreement at the coming Camp David summit.

Speaking to members of his governing Likud bloc, Mr. Begin said that he was torn between his support for the creation of more Jewish settlements in the West Bank and the need to maintain U.S. backing.

But he said that "if demands for the dismantling of settlements are made at Camp David, there will be no agreement."

His remarks were quoted by the state-run radio network.

Mr. Begin said that Israel would seek a substantive accord at the Sept. 3 summit, and in any case would survive to evolve a framework for follow-up negotiations.

He said he did not think that the United States was laying a trap for Israel at the summit, but he acknowledged that he might return home empty-handed and that Israel would then experience "difficult days."

A split in the centrist party in Begin's coalition government earlier today weakened his parliamentary base.

Although two of the Democratic Movement for Change Party's three factions broke away from the coalition, Mr. Begin still had a majority in the 120-member Knesset (parliament).

As Mr. Begin's government weathered the crisis, Transport Minister Meir Amit accused the West of "cowardice, short-sightedness and incapacity to deal with reality." He spoke at the funeral of El Al Airlines stewardess Irit Gidron, who was slain Sunday by Arab terrorists in London.

The split in the Democratic Movement for Change left one faction expected to remain in Mr. Begin's government and the other two factions joining the opposition.

'Sad Moment'
"Today we are in a sad moment," said Deputy Prime Minister Yigal Yadin, leader of the Democratic Movement faction that will probably remain in the coalition. He said his comrades "could not continue on the same political path, despite the fact that the platform... is acceptable to us all."

Mr. Yadin blamed the break mainly on "differences of opinion" between his faction and the Change faction of law professor Amnon Rubinstein. Another splinter group is headed by Mr. Amit, a former military intelligence and security services chief.

The break came after weeks of private and public backbiting and meant that Mr. Begin's 78-vote majority bloc in the Knesset might be reduced to 71.

Mr. Begin's government was weakened by a split in a major coalition party, warned today that demands for dismantling of Israeli settlements in occupied territory would bar any agreement at the coming Camp David summit.

A-Plant Pact Is Canceled

(Continued from Page 1)

The West Germans have insisted that they will go through with a multibillion-dollar contract to supply Brazil with nuclear reactors and a reprocessing plant. Mr. Carter's insistence on having this contract changed has been a contributing factor in a cooling of U.S. relations with both countries, particularly Brazil.

Brazil Contract
The annulment of the contract with the Pakistanis still leaves a major point of contention between Mr. Carter and Mr. Giscard d'Estaing over French nuclear policy — the decision by Paris to push ahead with its breeder reactor program.

Mr. Carter opposes breeder reactors because they also produce plutonium that could be used for nuclear weapons. The French, who have built one breeder reactor and are constructing a much larger one, favor this kind of nuclear plant because in theory it produces more fuel than it consumes. The French believe that breeder reactors will be an important factor in attaining a measure of independence in the energy field from foreign supplies.

Last year, they signed accords with West Germany and several other European nations for further research and development of breeder reactors and their eventual sale abroad.

U.S. House Panel Backs Measure

Overseas Medicare Bill Gains

By Fred Farris

WASHINGTON, Aug. 23 (IHT) — Extension of Medicare benefits to elderly Americans outside the United States has moved a step closer to becoming law.

The House Ways and Means Committee last week approved an omnibus bill to amend the Social Security Medicare program and in-

cluded a provision authorizing the president to negotiate reciprocal agreements on medical benefits with foreign governments.

The agreement would extend to Americans living or traveling in a foreign country, or others eligible for Medicare, coverage, govern-

ment-paid medical and hospital benefits similar to those available in the United States under Medi-

care. Reciprocal, nationals of the participating countries who are in the United States would be eligible for government-paid medical services here, provided they are at least 65 or disabled.

Congressional sources believe that the prospect for House approval of the bill is good. They said that the legislation, which the committee last week reported to the full House, was expected to be brought up for floor action within two weeks after Congress returns in September from its Labor Day recess.

No Serious Opposition

The sources said that there is no serious opposition in the House or Senate to the overseas-Medicare provision, which is sponsored by Rep. Dan Rostenkowski, D-Ill. The House is expected to consider the full bill promptly and sources believe that it will pass.

The Senate Finance Committee has approved its own Social Security package but it does not contain anything about Medicare for overseas Americans. Despite this, some House sources believe that the Senate may accept the House provision with minimal fuss, although Senate sources are not quite so sanguine.

The House measure is carefully calculated to fall below the Congress-imposed budget ceiling of \$100 million for Medicare legislation this year; committee sources say the overseas-Medicare provision has an estimated first-year cost of less than \$1 million.

"Only thing that might impede any action is if the Senate at a lot of additional provisions are added which would raise the cost above the ceiling," a Capitol Hill source said.

The resulting delay could throw the measure into the end-of-session rush as Congress faces a November election, drives toward an adjournment early in October that would permit incumbents to campaign for re-election.

Administration Undecided

Meanwhile, analysts in the Department of Health, Education and Welfare, which administers the Social Security program, are studying the legislation to help the administration decide whether to support or oppose it. Earlier this year, when the Rostenkowski bill was taken up by the Ways and Means subcommittee on health, HEW analysts warned that it would cost the U.S. Treasury more than \$200 million in the first year — an assessment called "nonsense" by supporters of the bill. Backers noted that the bill merely enabled the president to undertake bilateral agreements and said that such accords take months and years to negotiate.

Even so, some administration officials are voicing fear that the overseas-Medicare provisions would generate "tremendous administrative problems." For one thing, there is the matter of foreign hospital and medical-facility accreditation.

Only a handful of hospitals abroad are accredited by the so-called joint commission — a voluntary private organization formed by the American Medical Association, Blue Cross and other interested U.S. medical groups. Accreditation comes after an applying hospital meets specified quality standards.

Doubts on Standards

While conceding that foreign hospitals must meet certain standards in their own countries, an HEW source said, "We probably could not accept foreign hospitals' accreditation without very careful assessment of our own."

Another problem cited by HEW is that of reimbursement. The U.S. government requires specific kinds of records and information on which to make a reasonable cost determination for hospital and medical services. "It would be very difficult for us to make the same determinations on information from providers [hospitals and doctors] in foreign countries," the source said.

Presumably, those matters would have to be spelled out in the agreement that the legislation would authorize the president, through the secretary of HEW, to undertake, if the foreign-Medicare measure is enacted.

Texan Accused Of Bid to Have Judge Killed

FORT WORTH, Texas, Aug. 23 (UPI) — Multimillionaire Cullen Davis, acquitted in a sensational trial last year of killing his stepdaughter, was in jail yesterday charged with trying to arrange the murder of the judge hearing his divorce suit.

Mr. Davis, 44, had been free on bond while awaiting trial on other murder charges stemming from the Aug. 2, 1976, midnight raid on his estranged wife's \$6 million mansion here. His 12-year-old stepdaughter, Andrea Wilborn, was killed that night.

A combined team of FBI and state officers arrested the industrial heir Sunday morning in his car, allegedly after he met with an employee of one of his companies to complete a deal to have the presiding judge in his four-year divorce suit slain.

In Mr. Davis' possession, according to the charges against him, was a silencer, possession of which is a federal offense. Tarrant County District Attorney Tim Curry said Mr. Davis paid David McCrory, a longtime family acquaintance, \$25,000 in \$100 bills to arrange the shooting death of District Judge Joe Eidson.



Two MOVE defendants wave from detention.

MOVE Members Charge Racism At Philadelphia Murder Hearing

PHILADELPHIA, Aug. 23 (AP) — Members of the radical back-to-nature group MOVE, charged with the murder of a policeman, yesterday accused the judge at a preliminary hearing of being a racist. Then they refused to participate further and were returned to their cells during testimony.

Delbert Africa, a MOVE leader, protested the judge's decision to provide hearings for small groups of defendants instead of holding one hearing for each of the 12 charged in the Aug. 8 fatal shooting of James Ramp, who was killed as police and firemen moved to evict the MOVE members from their headquarters.

"I object to being severed from my brothers and sisters," Mr. Africa shouted. "I object to this hearing being held in prison. I want to be tried in a public courtroom."

The hearing was held in a converted chapel of a city detention center after Pennsylvania Supreme Court Justice Robert Nix Jr. rejected an appeal to move it to a City Hall courtroom.

The hearing was seeking to determine whether there was enough evidence to hold the defendants for trial. Each is jailed in lieu of \$400,000 bail.

Senate Approves Giving Vote to Capital Residents

WASHINGTON, Aug. 23 (AP) — The Senate yesterday passed and sent to the state legislatures for ratification a constitutional amendment that would allow voters in the District of Columbia to elect members of Congress as though they were residents of a state.

The vote was 67 to 32 — one more than the required majority of two-thirds of the 99 senators present.

Sen. James Eastland, D-Miss., who voted against full representation for the district in 1971, when the issue last came up, missed yesterday's vote because he was on vacation.

The measure must be ratified within seven years by 38 of the 50 state legislatures to become part of the Constitution.

Sen. John Stennis, D-Miss., assailed the proposal in an impassioned speech, calling it "a gift on the morning breeze" to the 700,000 residents of the U.S. capital. He said that it would be "unfair to the states" to allow the district to have two senators "without the corresponding responsibilities and obligations of a state government."

But Sen. Robert Dole, R-Kan., the 1976 Republican vice-presidential candidate, reminded Senate Republicans that both national political platforms had endorsed such representation.

"The time has come for action," he said, "and if a political platform means anything, it means we vote yes."

Republican National Chairman William Brock, a former senator from Tennessee, was on the floor seeking support for the measure as the vote neared.

A few minutes before the final vote, the Senate rejected by 65 to 32 a point of order raised against the amendment by Sen. Orrin Hatch, R-Utah, who maintained that it violated a constitutional provision that no state can be denied equal suffrage without its consent.

The amendment was approved by the House on March 2 by a vote of 289 to 127.

White House Motion Takes a New Turn

WASHINGTON, Aug. 23 (AP) — The White House is not sinking. But it does appear to be rotating, according to the preliminary findings of a survey team that spent five days last month in a routine inspection of the presidential mansion's foundation.

The rotation is barely measurable, and even if confirmed through further checking it is no cause for immediate alarm.

Charles Whalen, an official of the National Oceanic and Atmospheric Administration's Geodetic Survey, said his findings indicate that the southwest corner of the White House, adjacent to the Rose Garden, has sunk five one-hundredths of an inch since a 1971 survey. At the same time, the northeast corner has risen by about the same distance.

This would really indicate that you're having a slight rotation about an axis that would run through the southeast and northwest corners of the White House," Mr. Whalen said.

He said the apparent rotation could be a result of normal settling after the extensive renovation of the presidential mansion during the Truman administration.

Even if the movement continues, it would not necessarily cause cracks in the walls, provided that the settling continues as evenly as it

His Research Linked Chemical to Cancer

U.S. Expert Cool to Nitrite Ban

By Victor Cohn

WASHINGTON, Aug. 23 (WP) — The scientist who concluded that the chemical sodium nitrite causes cancer in rats called yesterday for a go-slow policy in removing it from the nation's meats.

Dr. Paul Newberne of the Massachusetts Institute of Technology said in an interview that his research "definitely" should be confirmed in other animals before any extensive ban goes into effect. Nitrites are widely used in the meat industry as a preservative, and as a color enhancer.

Food and Drug Administration officials said yesterday that there are no current plans for more tests, although Dr. Newberne's report has been in FDA hands since June 5 and, according to Dr. Newberne, further animal testing will take "three to four years."

The Newberne report and the resulting federal plan to begin removing nitrite from meats sometime next year have already aroused bangers in U.S. agriculture. "The meat industry, especially the pork sector, is convinced removal of nitrites would result in their economic ruin," a Senate Agriculture Committee staff report says.

FDA Sought Study

It was in a \$500,000 four-year study commissioned by the FDA that Dr. Newberne, professor of nutrition and food science, found that one rat of every eight that was fed sodium nitrite developed a lymph cancer, and another one of every nine developed a possibly precancerous condition.

The findings led the FDA and the Agriculture Department this month to prepare proposed regulations, to be issued this fall, calling for a gradual phaseout over "several years" of all nitrites in foods.

A four-page joint FDA-Agriculture Department action plan and summary of the nitrite issue flatly says that the Newberne study "shows that nitrite induces cancer when ingested by laboratory rats."

An examination of the study — made available by the government only last Friday — shows that it is more tentative than that. Dr. Newberne calls the effect of nitrite "adverse," under "the conditions of the study."

'Less Than Compelling'

Later in the report, however, he speaks in a summary of "the somewhat less-than-compelling case that nitrite is lymphogenic in Sprague-Dawley rats," the strain he used. And he said: "While these observations require some consideration, the data are only suggestive . . . There are suggestions, however, of sufficient magnitude . . . to raise questions about the widespread use of relatively high concentrations (of nitrites) in our food supply."

The upshot, he said yesterday, is that his report has indeed raised a red flag about nitrites, but he also thinks that more animal tests — in other species of rats and in mice, hamsters or other animals — are needed. It is unlikely "but always possible," he said, "that an effect may be seen only in one strain and not in others."

At the same time, he said, he

Turin to Show Shroud

TURIN, Aug. 23 (AP) — The Holy Shroud, a length of linen venerated as the burial cloth of Christ, will go on public display in the Turin Cathedral Sunday for the first time in 45 years.

Apparently has so far, Mr. Whalen said.

He emphasized that the movements were so slight as to be barely measurable with the precision leveling devices used in such work. "This is a preliminary look at it," he said. "We have to take a harder look at the data."

Similar surveys, taken in 1955, 1971 and 1974, showed no detectable settling since the original renovation in 1949-52, Mr. Whalen said.

U.S. Rebuffs McGovern Idea On Action Against Cambodia

WASHINGTON, Aug. 23 (UPI) — Sen. George McGovern's suggestion that an international military force be created to oust the current leaders of Cambodia has been rebuffed by the administration.

A former Cambodian official also said yesterday that Sen. McGovern's plan was "a little bit hasty."

An administration spokesman said that diplomacy rather than force should be used against the Cambodian regime.

"The United States does not intend to initiate an effort to resolve the terrible human rights situation in Kampuchea [Cambodia] by military force, nor are we aware of any international support for a plan to affect the situation in Kampuchea through the use of military force," State Department spokesman Tom Reston said.

Chang Song, information minister of the Cambodian government that was toppled by the current regime, also declined to support the South Dakota Democrat's proposal.

Gatwick to Get More Flights

LONDON, Aug. 23 (UPI) — The government said today that as of April 1, all flights to and from Spain, Portugal, Gibraltar, the Canary Islands, Minorca and Ibiza will use Gatwick instead of London's main Heathrow airport.

The Department of Trade said that the reason for the change is to ease congestion at Heathrow, which is nearing the point of saturation.

Gatwick, about 25 miles south of London, last year handled about 6.5 million passengers. The department said that it now is capable of handling up to 16 million passengers a year, after major expansion work in the last three years.

agrees with the phaseout plan so long as it starts with products where nitrites are not really needed to prevent botulism, and are used only to enhance color and appearance.

But any precipitous action is unwarranted, he said, and a total phaseout should be regarded only as a goal that can be reached only if other safe preserving methods are perfected for the two-thirds of all pork and one-tenth of all beef that now are treated with nitrite.

He said it may never be possible to remove nitrite from some products. This is particularly true, he said, for canned ham and possibly

some lunch meats, because without nitrite they would have to be so overcooked that "no one would eat them," and freezing — a possible alternate method of preservation — might prove too expensive.

As for more animal tests, FDA toxicologist Hyman Gittes said, "I don't know of any being planned at this stage. I don't know how you would start to plan anything until the [Newberne] study is evaluated in some detail."

"It's too soon to say whether more studies will be needed," said FDA public-affairs officer Nancy Glick, but the FDA is "eliciting scientific review" to find out.

Legal Ads in California

Hawk Do-It-Yourself Law

By Robert Lindsey

LOS ANGELES, Aug. 23 (NYT) — In a small avalanche of advertising by lawyers descending on Californians by way of their television sets and newspapers these days, there is a new arrival this week — "TV Law Forum," which teaches people how to write their own wills and contracts and even plead their own cases in court.

"There is so much law that is fantastically easy; anyone who has acquired the ability to read and write and is able to follow instructions can do it and go right in the court and represent themselves," Kenneth Kahn, directing attorney for the Law Forum, said.

In a program developed by three legal secretaries, the Law Forum is offering seminars where lawyers tutor laymen how to handle a wide variety of legal procedures themselves, ranging from writing wills to defending themselves in drunken-driving trials.

Cut-and-Dry Cases

"Drunk driving cases are so cut and dry that Clarence Darrow would advise you to plead guilty most of the time," Mr. Kahn said. "Most people can handle their own defense and save a lot of money."

The Supreme Court in June, 1977, ruled that state barriers to advertising by lawyers were unconstitutional. California has generated some of the most innovative ways of responding to the new license by lawyers to advertise.

One group of lawyers has a storefront in a Los Angeles suburb that sells kits of information and legal forms to consumers.

And there are the so-called law clinics, the equivalent of cut-rate supermarkets, which advertise heavily on television and in newspapers.

Many lawyers who use the media report good responses from their advertisements. Other lawyers report that newspaper advertising has been less successful, but acknowledge that this may have been because they have tended to use small and obscure ads.

Troublesome Trend

The increasing amount of legal advertising on television troubles many lawyers who do not advertise, and most deplore the trend, claiming many consumers will regret using such services.

A Los Angeles County supervisor recently protested the newspa-

per ads of a lawyer who advertised powers in winning acquittals for alleged murderers. The ad said his minimum fee for defending accused murderers was \$5,000 and listed 16 cases in which he claimed, clients had received acquittals, dismissals, hung juries, or reduced sentences.

Some officers of the California Bar Association say they are worried about the trend. But, noting that the American Bar Association recently sanctioned television advertising by lawyers and acknowledging that high unemployment among young lawyers is encouraging the trend, they concede the recent legal innovations probably will be followed by others.

The Law Forum, besides offering seminars to consumers on how to write wills and contracts, establish corporations and partnerships, file for bankruptcy and take other actions, provides lessons on courtroom demeanor and procedures for persons who represent themselves in civil-court actions, criminal misdemeanors, uncontested divorces and other actions.

Computer Contracts

Mr. Kahn said the program will marry classroom seminars to the abilities of computers and electric typewriting systems.

"A lot of what goes into contracts and other legal instruments is boiler plate," he said. "What we've done is computerize the boiler plate. We've got a divorce memory disk, a bankruptcy disk, etc."

"There are only so many variables in each case. When people come into the seminars, they will get a form in which they fill in the variables — it's sort of like painting by the numbers. Then we feed the variables to a computer unit, using the right disk. It will print out the contract in a word processing typewriter like a secretary. Then we teach people how to file the cases and everything else they need to know. None of our services costs over \$100, and that includes consultation with an attorney."

What about the old axiom that anyone who represents himself "has a fool for a client?" Mr. Kahn asserted:

"That's a myth made up by attorneys. There are a lot of garden-variety things that any person can do without having to pay an attorney \$50-\$100 an hour to do it for them."

17 of 100 U.S. Workers On Government Payrolls

By Spencer Rich

WASHINGTON, Aug. 23 (WP) — Government payrolls have grown so fast in the last generation that 17 of every 100 civilian workers in the country are now employed by the U.S. state or local governments, according to a Census Bureau report released yesterday.

In 1950, the figure was 11 of every 100.

The Census Bureau reported that public employment had resumed its growth last year after a sharp mid-recession slowdown. It rose by 394,000 to a total 15.4 million.

Local and state governments, spurred by U.S. grants for a wide range of programs, accounted for virtually all the growth (389,000) and totaled 12,558,000 employees in October, 1977, when the survey was taken. U.S. employment, by contrast, rose only 5,000 to 2,848,000.

One of the trends in U.S. government in recent times has been the rapid growth of state and local governments, spurred by U.S. grants and the demand for more services.

Wider Services

In 1950, when the U.S. population was about 150 million, total civilian government employment was 1.4 million, of which 4.3 million was state and local. By 1977 the population had increased by less than half to 216.8 million but government civilian employment leaped to 15.4 million. Of that, about 12.6 million was state and local. The growth reflects a far wider range of public services, such as education, health and welfare.

State and local employment grew most rapidly in the 1950s and 1960s and has been slowing in the last few years. Public employment at all levels, including U.S., has been growing the last few years at about the same rate as overall employment in the United States and

has been providing 17 percent of all jobs in the economy.

More than half of all the jobs in state and local government are in schools, including institutions of higher education. Even though the number of students in public schools has been declining for three years, the educational establishment has continued to grow and reached 6.5 million in 1977.

Hard to 'Retrench'

Census and Department of Health, Education and Welfare officials said that the growth is partly the result of special programs for the handicapped and educationally deprived and of new computer and audiovisual materials being put into use. But an official added wryly, "It's always difficult to retrench when it comes to staff."

The second-largest group of local and state employees are in the health field (12,555 million), followed by police (628,000) and highway personnel (587,000). The figures show that county government payrolls are growing far faster than city payrolls, as more people move to the suburbs and create demands for new services there.

U.S. A-Plant Cited on Waste

SOUTH HAVEN, Mich., Aug. 23 (AP) — Improper disposal of nuclear waste at the Palisades nuclear plant of Consumers Power Co. here may have exposed some workers to excessive radiation, government investigators said.

Officials of the U.S. Nuclear Regulatory Commission said that it would not fine the company as long as the problem was corrected. The utility was given 20 days to report on the corrective measures taken.

"Our basic position is that we make every effort at all times to comply with regulations," Consumer spokesman Mike Koschik said, adding that corrective measures were being taken. "At no time was there any degree of radioactive material that could cause harm to the public or employees."

Jailed for Cannibalism

PORT MORESBY, Papua New Guinea, Aug. 23 (UPI) — Three ungle tribesmen who ate the flesh of a dead friend have been sentenced to 15 months in jail on Daru Island for committing cannibalism.



CARAVEL HOTEL

For World Travellers
The seasoned traveller knows what he wants and where to get it.

All over the world. He knows the CARAVEL. He prefers hotels that are geared to cater the business requirements and at the same time his businessman's need for relaxation. He prefers the CARAVEL.

Conference facilities from 10 to 1000 people • Direct phone dial in all rooms to any country • Telex facilities • Rooms with individually controlled heating and Air Conditioning, frigo bar, radio • Shopping Arcade • Swimming pool • Health Studio • Sauna • 3 Restaurants • Round the clock Coffee Shop • 2 Bars • Night Club.

Caravel Hotel 2, Vassileos Alexandrou Ave. Athens, 508
Phone: 790 721 (60 lines) Telex: 21-4401 CH GR
Cables: CARAVELHOTEL

The Assassinations

The murders of President Kennedy and the Rev. Dr. Martin Luther King Jr. have fomented a whole folklore of fearful fantasies. The assassinations that would not die, they have been called. Any responsible antidote to the fears should be welcome and, in theory, that's what the House of Representatives sought 18 months ago when it created a special assassinations committee. But a series of lurid leaks soon began to make that committee seem as irresponsible as the fantasies it was intended to inter. And that was before the committee's chairman and chief counsel began feeding.

Then, however, came a new chairman, Rep. Louis Stokes of Cleveland, and a new counsel, G. Robert Blakey, a Cornell law professor. Abruptly, the leaks stopped and the committee's investigations took on new discipline.

Some fruits of those labors have become evident in the committee's careful question-

ing of James Earl Ray, complete with 10-year-old laundry tickets. Having once confessed to killing Dr. King, he now contends that he was set up by a mysterious person named Raoul — which, the witness insists, is spelled R-O-U-A-L. The committee's rigorous cross-examination makes his claim of innocence seem as dubious as his spelling.

Though there are more Ray hearings to come in the fall, the committee has already earned credit and credibility for its handling of the King case so far. A sterner test lies immediately ahead. A 1963 tape recording has been found that may indicate four rather than three shots in the JFK assassination. Tests have now been conducted in Dallas. How the committee reports the results — and states its conclusions — will soon demonstrate its devotion to rooting out fantasy and finding fact.

THE NEW YORK TIMES.

Drought in the Sahel

Part of the Sahel region of Africa is suffering drought and famine again. That is the band of eight sub-Saharan nations, from the Cape Verde Islands to Chad, which suffered a devastating six-year drought in the early 1970s. As many as 100,000 people and more than half the livestock of those basically agricultural countries perished from the resulting famine. This year's drought, though severe, has not had a catastrophic effect. That is because both the Sahelian nations and the international community have learned the costly lessons of the previous drought: Early warning and an efficient response to widespread food shortages, plus a concerted regional and international development effort, can reduce the impact of recurring droughts.

The current drought and famine severely affect four Sahelian nations — the Cape Verde Islands, Gambia, Senegal and Mauritania. Those countries' appeals for emergency food supplies brought a quick international response. Led by the United States, other countries have shipped about 450,000 tons of food to the area. And, unlike the helicopter approach of five years ago, the food apparently is being distributed efficiently and equitably. Most important, the relief effort is part of a larger regional development program sponsored by the Sahelian nations and a score of more advanced countries. Their aim is to reduce the region's vulnerability to droughts.

The goals of this unique international effort are as numerous as the needs of the

Sahelian countries. They include: increasing crop production in the generally arid region; building thousands of miles of roads and a communications system for the region, which is larger than Europe but which has a population of only about 30 million, and bringing modern educational and health services to a population that still lives largely as its ancestors did a century ago.

The African, Arabic and Western nations that have pledged more than \$1 billion annually to the Sahel development effort, in addition to various bilateral agreements, have done so for more than the obvious and laudable humanitarian reasons. They want to learn how to check "desertification" — the spreading of desert land, which, in developing countries, is often caused by efforts to modernize rapidly. Because of where it is, the Sahel is especially vulnerable to the rapid expansion of arid land. The widespread concern of developing and industrialized countries about this spurred the United Nations-sponsored conference on the subject held in Nairobi last year. The Sahel is the first area of the world where the various techniques discussed during that conference are to be put to the test. Thus, the Sahel has become, in effect, a laboratory in which solutions are sought not only to desertification, but to a host of problems that affect developing nations — and, in one way or another, the developed nations, too.

THE WASHINGTON POST.

Nudes, Prudes, Strawberries

Increasingly, what is sun worship to some is indecency to others. Squabbles over nudity on the beach are developing more and more often — in California, Maine, the Hamptons and now in the New York City Council. Councilman Leon Katz has introduced a bill to make nudity on public beaches subject to fines and up to 10 days in jail.

Katz says he is responding to constituents' complaints about nudity on the popular Manhattan and Brighton beaches and even about nude visitors to nearby towns.

Nude sunbathers are entitled to protection from busybody law enforcement — and from leering voyeurs. But protection of citizens' rights runs the other way, also. Public beaches are places where families should be able to go without risking offense.

By setting aside clearly separate bathing areas, other communities have been able to satisfy nudes, prudes and everyone in between. Common sense ought to make such a solution possible in New York as well.

Is there anyone who hasn't eaten the odd grape or berry while waiting in a supermarket line? That's not the same as walking off with a siffoin hidden in a handbag. But it must have seemed that way to the Maryland

supermarket that brought charges against Jacqueline Datcher for eating two strawberries in the store. She was convicted of shoplifting and sentenced to six months' probation and a half-day's work in the parks system.

At about the same time, a judge in Winona, Minn., put a 7-year-old boy through a formal criminal trial. Why? Because the boy, who had shoplifted a plastic squirt gun, needed to be taught a lesson. The security manager of the store involved says, "Anyone over the age of 5 — I arrest them. I feel they know better by then."

Is there some kind of mindless trend at work here, a growing willingness to abuse the criminal justice system on behalf of some absurd extreme notion of justice? We wonder how much it cost the Maryland and Minnesota taxpayers to pursue such cases. The squirt gun in question cost 29 cents. The berries could not have cost more than a nickel. And as for principle, what both cases seem most to demonstrate is not a passion for justice but a departure, in the summer heat, of common sense. To those who allow such costly trivia to clog the courts, a big raspberry.

THE NEW YORK TIMES.

International Opinion

A Path Made Rougher

The only remaining country with which Japan has still to end a technical state of war is the Soviet Union, but the path in that direction is made rougher by the just-concluded Sino-Japanese agreement.

Moscow warned Tokyo that Soviet-Japanese relations would be adversely affected if the controversial anti-hegemony clause were included in the peace treaty with China.

But there appears to be no fundamental difference between the peace treaty's refer-

ences to hegemony and the relevant clause in the 1972 joint Sino-Japanese communique normalizing ties between Tokyo and Peking.

Furthermore, there seems to be no real conflict with what Moscow included in a draft treaty of good neighborliness and cooperation that it had earlier wanted Japan to sign to open the door to a formal peace agreement.

In fact, all these documents express opposition to any one country seeking domination over three countries.

—From the South China Morning Post (Hong Kong).

In the International Edition

Seventy-Five Years Ago

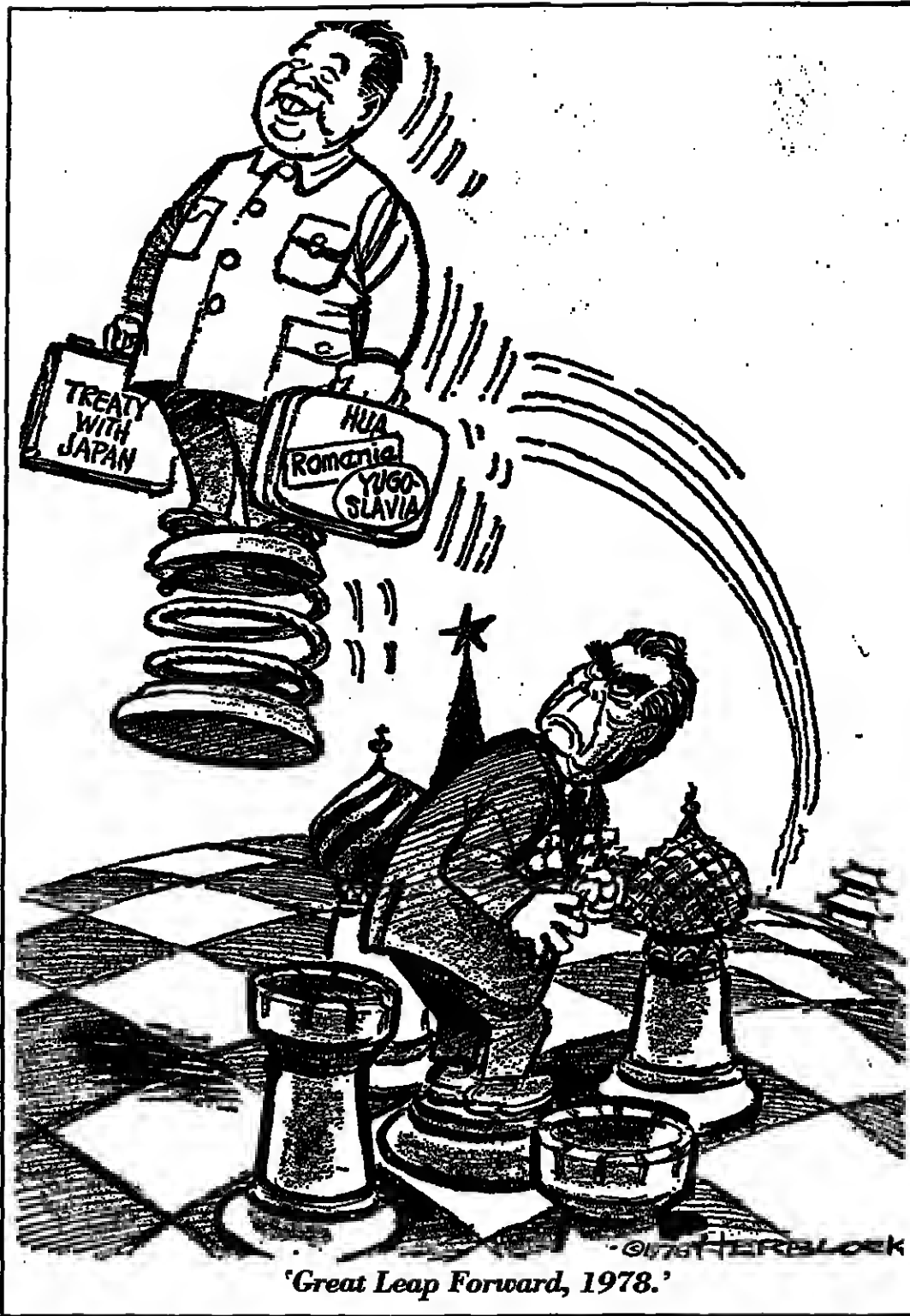
August 24, 1903

CHICAGO — The Chicago Tribune remarks today on the America's Cup races: "A certain London tea firm has resumed its attempts to win a certain silver cup from a certain close clique of New Yorkers. If the tea clipper wins, there will be a roaring as of many lions. If the New York racing machine wins, there will be a screeching as of many eagles. This is what the sociologists call a transference of emotion."

Fifty Years Ago

August 24, 1928

PARIS — Lady Rhonda and other prominent international feminists will be arriving in Paris today and tomorrow for a meeting of the International Committee of Women, with the aim of initiating immediate action to win equal rights for women throughout the world. The committee will put out specific proposals, which it will present to statesmen from 15 countries who will be gathering here next week to sign the Briand-Kellogg pact.



Urbanization and Third World

By Jonathan Power

LONDON — The city as the forcing house of economic progress — this has been man's conventional wisdom for hundreds of years. It is now being applied without much forethought in the majority of developing countries.

Yet the shantytowns are everywhere. In Brazil they are favelas, and in Argentina villas miserias. In Turkey, where perhaps half of Ankara's 1.5 million live this way, they are gecekondus, which translates means "between dusk and dawn" — acknowledging the fact that, to avoid instant destruction by the authorities, any temporary dwelling has to be erected in a single night. In Calcutta they are bustees; in the Philippines barong-barongs.

In Mexico City, there is a whole hierarchy: tuguerios if you have a one-room hut among those grouped around a central courtyard; jackales if you live in a scrap-iron hut; colonias paracaidistas ("parachutists' neighborhoods") if you are up on the hillside.

In some Third World countries the transition between countryside and town reaches almost breathtaking proportions. Take the case of Brazil. As recently as 1950 Brazil was a predominantly agrarian nation with over 60 percent of its people living in the countryside. But 15 years later the rural and urban populations were about the same. And by 1970 the census found that only 44 percent of the country's 93 million people were left on the farms. Between 1960 and 1970, 10 million people migrated to the towns. At the end of the decade one-quarter of Brazil's population was concentrated in nine large metropolitan areas.

The city cannot cope with this kind of transformation. One-third of the developing countries have urban unemployment rates of over 15 percent. In two-thirds of the countries it exceeds 8 percent.

But to make clear the full danger of these figures, they should be compared with figures for Europe when it was developing. In Britain between 1851 and 1910, unemployment did not normally exceed 6 to 7 percent. On rare occasions at a time of economic crisis it may have reached 15 percent. In Germany the figures were lower. Between 1887 and 1914, unemployment averaged only 2.4 percent.

Underemployment is even worse. In a developed economy, a flourishing service sector is a sign of progress — the harvest of economic achievement. The situation is quite

the reverse in Latin America, Asia and Africa — services are parasites drawing odd coins from the casual passage of wealthier pockets.

Shoeshine boys, sellers of tiki-tacks, messengers, cigarette vendors, tourist touts and porters eke out a living, contributing only marginally to economic development. The proportion of the non-agricultural labor force engaged in services in Latin American countries is between 60 and 70 percent; in Europe and North America it is between 40 and 50 percent.

Too Far Gone

This is a disease that conventional economic growth probably cannot cure. It is too pathological, too far gone, for the urban industrial treatment to have any effect.

In an attempt to show just how impossible the situation is, a study by the Organization for Economic Cooperation and Development (OECD) has made a calculation taking the average situation prevailing in the developing countries: a manufacturing sector employing 20 percent of the labor force; the unemployment rate and underemployment rate together averaging 25 percent; and the increase in labor productivity averaging 2.5 percent a year, the rate achieved between 1955 and 1968.

It then calculates that in order to absorb an increase in the labor force of 3 percent a year, industrial production would have to increase at the phenomenal rate of 18 percent a year. And to eradicate within a decade the existing rural and urban unemployment and underemployment, the latter figure would have to increase by 30 to 35 percent a year. (Yet even record-breaking Brazil has achieved only 15 percent.) The report not surprisingly concludes: "Thus, eradication of general underemployment through the development of industrial employment is a practical impossibility in the medium term."

Difficulties

All the evidence suggests that the escape route from poverty that leads through the city and industrial sector is fraught with many more difficulties than was thought likely when the Third World countries started on this path two to three decades ago. It is deeply ironic that both the major schools of economic thought — capitalist and socialist — preached similar false solutions. Many socialists argued that real independence was impossible without a strong industrial base and the

West often argued that a developing industrial sector was the most effective way of attracting outside capital.

The Third World countries are now reaping the results of this mistaken advice — chronic food shortages, a demoralized countryside, a fast-expanding urban slum population and a growing inequality of incomes.

The question is, can the Third World learn in time the lessons of this experience? Can it develop in a way that gives it time to blend the best of its countryside with the best of urban life? It can be done, but only if the countryside is used as the mainstream of its economy, rather than the backwater.

SALT—Learning From Past

By George F. Will

WASHINGTON — Fifty years and many wars ago, the United States took the lead in an effort to make war a thing of the past. On Aug. 24, 1928, representatives of 15 nations met in Paris to sign the Kellogg-Briand Pact, thereby renouncing the use of war as an instrument of national policy.

Today the name Kellogg-Briand is like the memory of wind whistling in a chimney, in an old house, long ago. But it is wrong to regard the pact banning war as just another example of the faithless idealism of a nation that was simultaneously trying to enforce a ban on alcohol. It was more than a pale flame of idealism in the closing dusk of American innocence. It expressed aspects of the American temper that still exist.

Warren Harding, the first post-war president, declared, "I don't know anything about this European stuff," and left all such stuff to his secretary of state, Charles Evans Hughes, whose successor was Frank Kellogg. In the mid-1920s, the State Department's staff of just 600 professionals disposed of a budget of just \$2 million. In Europe, the most ominous figure was Mussolini, who preached the virtues of war to an inattentive nation.

Most Americans did not care about foreign policy in the decade after the "war to end all wars," but there was a significant "peace movement," two ornaments of which were Columbia University President Nicholas Murray Butler and Prof. James Shotwell, also of Columbia. Shotwell suggested to Aristide Briand, the French foreign minister, that the United States and France should sign a treaty to "outlaw" war.

Briand fastened upon the idea as a way of beginning to bind the United States in a bilateral relationship with France. But Briand did not anticipate Kellogg's defection.

Kellogg disdained the "peace movement," but Briand's offer compelled him to act, and he knew a political opportunity when it was handed to him. Kellogg turned it into a multi-nation extravaganza. And by 1934, 64 nations had endorsed its provisions. A decade later, most were at war.

Prior to 1928, the last event that had stirred public interest in foreign policy had been "the first SALT talks" — the Washington

Anthony Sampson

From London:

Americans, not surprisingly, feel dispirited and diminished by the fall [of the dollar], as if it were a personal insult . . .

LONDON — Will everything in America soon be cheaper than in Britain? To an Englishman returning from America, the comparative costs seem more surprising than ever, even after a 10-percent American inflation rate. Cars, gasoline, meat and most foods, houses, land, machines, hotels and motels, even books — they are all likely to be cheaper than their British equivalents.

It's a strange contrast with 10 or 20 years ago, when America was an extravagant experience for any European. Today, even for the British, with their weak pounds, the United States seems a cut-price country; and for the Germans, Swiss or Japanese, it provides a bargain spree.

Of course, visitors are easily misled about the cost of living, and American residents face long-term costs that can be prohibitive, including anything to do with medicine and the law. Any personal service becomes increasingly expensive, whether from a barber, a house cleaner or a baby-sitter. The dependence on cars generates extra costs, and at the bottom end of the scale a family can probably live more cheaply in England, without serious discomforts, than anywhere in America.

Prices Misleading

Comparative prices are always misleading as a guide to the cost of living, if only because so many of the most important factors in life may be free, or unbuyable at any price; and many British pleasures and luxuries, such as walking in parks or through city streets, village life, clean air or comfortable trains, are much harder to find in America.

Nevertheless, many ordinary visitors to America are amazed to find that the dollar can buy so much more than its equivalent in marks, francs or pounds, and that it should still stay so low. And it seems all the more surprising, as the American economy looks more promising than that of many other countries, particularly Britain.

Of course, as the economists patiently explain to the laymen, the fall in the dollar has little to do with comparative buying power; the world is not a simple free-trade mechanism in which American goods can flow freely into Western Europe and Japan; and the dollar is the victim of the American trade deficit, the high oil imports and the consequences of OPEC price increases. But if America thus continues to be a bargain country, the consequences for its relations with Western Europe may be far-reaching.

ing — particularly since the cheap dollar coincides with unprecedentedly cheap air fares across the Atlantic. Already this summer the Europeans have been flocking in unprecedented numbers to have cheaper holidays than they could enjoy on their own continent. By next year, when the airlines will have had to produce a more rational cheap fare system, the European invasion will be in full flood.

Manhattan Transfer

And for those Europeans who are allowed to export capital — particularly the Germans — the attraction of buying up bits of America will increase. Already Manhattan is beginning to look as though it is slowly moving toward Europe, and both individuals and companies from Europe see American investment as a refuge from their own crowded and anxious continent.

In the high councils of the European Community, the decline of the dollar is seen as a strong incentive to prepare for a European monetary union and a European currency to provide an alternative bulwark, which in turn will create a closer community. But the social and cultural trends that flow from travel and investment may well produce an opposite movement, forging much closer links with America.

Second Thoughts

The American experience, even when it was a luxury reserved for the rich, has always provided a powerful counter-pull to challenge Europe. Now that America is much more accessible, at a time when Europeans are having new doubts about each other's political stability, it may well provoke second thoughts — like an old lover reappearing on the eve of the wedding, looking humbler but more attractive than ever.

Americans, not surprisingly, feel dispirited and diminished by the fall in their currency, as if it were a personal insult; and any Englishman who has ever had to cash a devalued traveler's check will know how it feels. But the anguish may not be justified, not only because the dollar's buying power remains high in the United States (and no Western nation is less dependent on foreign trade), but also because the new accessibility of America may produce a much closer cultural relationship with the rest of the West. It may not be as satisfying to the ego as the old days of dollar supremacy, but it may be all the healthier for that.

Naval Conference of 1921. The opening of the conference coincided with the signing of the "Unknown Soldier," a ceremony broadcast nationwide by the magic of radio.

Assumption
The assumption sustaining the Naval Conference was that naval limitations were the key to peace. A few years later, when the Senate ratified the Kellogg-Briand Pact, 85-1, that body promptly voted to authorize 15 new cruisers.

The pact banned only "aggressive" war; it lacked enforcement mechanisms; and the Senate Foreign Relations Committee tacked on an "interpretation" that affirmed the U.S. right to "enforce" the Monroe Doctrine.

Nevertheless, the pact satisfied those — and there are always many of them — who believe that diplomatic parchment could do the work of blood and iron in guaranteeing national security. Kellogg received the Nobel Peace Prize in 1929.

Three Beliefs
As today's president understands too well, there is always an American audience for the theory that a particular problem is the intended result of scheming by this or that "special interest." In the 1920s, a significant audience was eager to believe that the "Great War" had been caused by "munitions makers" and other "merchants of death." People who believed that were prone to believe that conspira-

cies of ill will would be blocked by open expressions of goodwill.

The Kellogg-Briand Pact accorded with three beliefs that recur in America: The world is in the "mood" for peace; moods are decisive; moods last. Anyone who thinks that those beliefs died long ago has not been paying attention to more recent history.

One critic, who had a way with wounding words, dismissed the Kellogg-Briand Pact as "an international kiss." But it is not obvious that the pact was more vacuous, more of an exercise in deception (including self-deception) or more of a dead letter than is the U.S.-Soviet document explaining the principles of détente (1972) or than are the human rights provisions of the Helsinki accords (1975). In the year 2028, the assessment of that moment of the Kellogg-Briand Pact, worthless, but not harmless.

The International Herald Tribune welcomes letters from readers. Short letters have a better chance of being published. All letters are subject to condensation for space reasons. Anonymous letters will not be considered for publication. Writers may request that their letters be signed only with initials but preference will be given to those fully signed and bearing the writer's complete address. The Herald Tribune cannot acknowledge letters sent to the editor.

In Time of Prosperity

Malaysia Ethnic Worries Persist

By Jay Marheis

KUALA LUMPUR, Malaysia, Aug. 23 (UPI) — The energetic young businessman had found a good job in the capital of this rich, still-developing country. The pay was \$1,400 a month, but he could not keep the job without citizenship papers, something up to then denied him even though he was born here.

His was not an isolated case. For the ethnic Chinese and Indians who make up nearly half the population of this Malay-dominated state, rights of residence and occupation are often hard to come by.

The young businessman finally paid \$5,900 in bribes to obtain the proper papers. To get a noncitizen's work permit, he discovered, would have cost more.

This is a time of quiet and prosperity for Malaysia, but many people wonder how long it will last, as ethnic divisions of this sort continue to build up frustration.

After a resounding victory in general elections last month, the Malay-dominated National Front coalition that runs this country of 12.2 million seems to have well in hand the complex political feuds that Malaysians love.

Scattered Bands

The communist rebellion that seriously shook Malaysia in the 1940s and 1950s has been broken up. Scattered bands of armed rebels, perhaps totaling no more than 3,000 men, merely gave the National Front a convenient excuse to ban large rallies during the election campaign and thus handicap the parliamentary opposition.

A light oil mud prized by gas-line-hungry Japan flows out of wells on the east coast of the peninsula that forms the western half of Malaysia. The country remains the world's largest producer of tin and natural rubber and finds a healthy market for those products. All across the United States, hamburgers fry in oil extracted from squat palm trees that grow in neat rows along roadsides here.

Businessmen and politicians welcome the 7 percent growth-rate

wrested from the green jungles and mineral-rich hills of this former British colony. But many doubt that it is enough to smooth over the deep racial problems left behind by centuries of immigration by Indian laborers and Chinese shopkeepers and miners.

In 1969 the stiff, British-admiring bureaucrats who run this capital city were frightened out of their wits by a bloody riot of angry Malays, mostly directed against wealthier Chinese neighbors. About 250 Chinese died, along with about 50 Malays and Indians.

Appoint Malays

The response of the government coalition, then as now committed publicly to racial harmony, was called the new economic policy—a plan of action intended to force greater prosperity on the easygoing but increasingly unhappy Malays.

Universities began to reject Chinese applicants in favor of less-qualified Malays. Foreign companies were pressured to appoint Malays to their boards and to hire more Malay staff.

A key promise was that by the year 1990, at least 30 percent of the country's capital would be in Malay hands. In 1970, Malays had only about 2 percent. The figure has now climbed to about 8 percent, but at such a slow pace that many fear the 30 percent target can be reached in time only by juggling of figures.

"I don't know who is going to be prime minister in 1990," said an Indian businessman, "but he's going to have to explain to the people that the new economic policy has failed. That will mean more riots, and the army moving in."

The small Malaysian armed services are as racially mixed as the country at large, and trained in the strictly nonpolitical, British tradition. But many of the young officers, who in the past would have been sent to Sandhurst for training, are now going to neighboring Asian states like Indonesia and Thailand, where generals have grown used to political power.

"Don't you think it is time we got more involved in the nation's

problems?" a young ethnic-Chinese officer asked a Malaysian journalist recently. It was a sentiment many of his Malay colleagues shared, he said.

The army has been very important in the life of the quiet politician whose political skills brought last month's resounding mandate for the National Front.

Prime Minister Datuk Hussein bin Onn fought with the British-trained 15th Rajputana Rifles in North Africa during World War II. He then transferred to Delhi to do staff work for the allied campaign to retake Malaysia from the Japanese.

Some Malaysian observers say that he does not hold a candle to his father, who founded the United Malays National Organization which now leads the National Front coalition. But Mr. Hussein's cautious attention to myriad political details last month overwhelmed a party of Islamic zealots that had threatened to weaken the coalition severely.

Huge Estates

He has tried to root out the official corruption that adds to the frustration of people like the young non-Malay businessman who had to pay so much for his citizenship.

Matters are not helped by the sultans who still serve as nominal chiefs for the various states that make up Malaysia, and who elect the outcast king, the ceremonial head of state. The sultans demand huge estates and other perquisites. They can still do some damage to democratic politicians because of the lingering Malay reverence for the old nobility.

When six newly elected state legislators of the leading opposition group, the Chinese-dominated Democratic Action Party, failed to swear an oath of allegiance to the sultan of Perak state, the resulting furor forced the party's astute leader, Lim Kit Siang, to apologize publicly for the slight.

"You are still in the stage of feudalism if people in their 50s can remember when the sultan's rule was absolute under British guidance," a businessman here recalled. One of the problems in controlling the drug trade is that the sultans are involved.

Hacked to Death

Prime Minister Hussein seems capable of banding, however slowly and carefully, the sluggish mix of politics and corruption. It is the religious issue that most frightens him and other politicians here.

Outraged Indians recently hacked to death four Moslems. The Moslems had entered a Hindu temple, and after praying briefly, began to knock down statues of what the Moslems consider pagan Indian deities. Islamic fervor has led others to throw television sets into rivers. Fifty young women withdrew from the national university recently in order to honor the Koran's prohibitions on the education of women.

Despite their control of the government and their position as the largest ethnic group, the Islamic Malays see themselves not nearly as well off as many of their Chinese neighbors. And "religion is a response to things not going well," says a diplomat.

Mr. Hussein managed clearly to eliminate his most fervent Islamic opposition in the July election, but he has had a personal reminder that his brand of moderate Islam may not satisfy the generations to come. His daughter, a fairly modern young woman when she left for school in London, came back two years later wearing a traditional Moslem veil. It reportedly took a great deal of persuasion to make her take it off.

Peru Military Takes Over Strike-Hit Mining Areas

LIMA, Aug. 23 (AP) — The military government declared a state of emergency in Peru's major mining regions yesterday, suspended civil rights and sent troops to try to end an 18-day-old strike.

The government estimated that the strike by about 45,000 miners was costing \$2.5 million a day in lost production. Union and company sources said that soldiers entered the mining installations before dawn. Armored vehicles patrolled the areas.

The armed forces joint command said that it had acted to normalize production of copper, iron, lead, silver and zinc in the areas. Troops were not operating the mines but were sent to maintain order.

The emergency measures, which affect only the mining industry, allow military arrests and house searches without warrants. They give the military the power to prohibit citizens from entering or leaving the country, and to order deportations.

Pay, Amnesty Demands

The strike was called on Aug. 4 by the National Federation of Miners and Metallurgical Workers, which has demanded higher pay, amnesty for labor leaders arrested in previous strikes and rehiring of 70 miners fired for illegal strikes.

A 1976 government decree bans strikes in the mining industry because of its importance to the national economy. Metal exports account for 70 percent of the country's foreign earnings.

Union leaders have not specified their wage demands. Miners now earn between \$1.57 and \$4.69 a day.

Union sources said that union leaders were called to the Interior Ministry Monday night and met the labor minister, Lt. Gen. Jose

Garcia Calderon, and the minister of mines, Gen. Juan Sanchez.

Communications were difficult with the mining regions. A spokesman at the Lima headquarters of Southern Peru Copper Corp., a U.S. firm, said that all was calm at its installations in the far south. "A small group of workers have returned to their jobs and the company expects more to return as they realize it is in the interests of the country and themselves," the spokesman said.

The government said it acted because of "a climate of agitation intended to produce serious disturbances in public order." It urged workers to return to their jobs voluntarily.

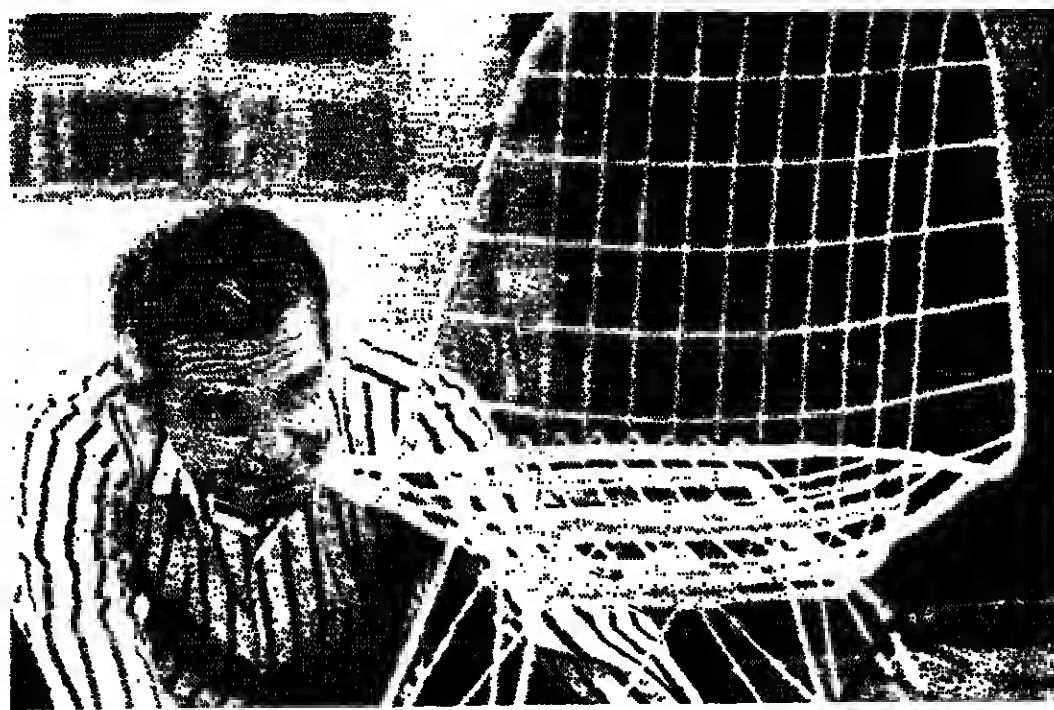
The strike began shortly after the convening of a Constituent Assembly that is writing a constitution intended to return the country to civilian rule through general elections before 1980.

Mine union chief Victor Cudros, a former miner for Southern Peru, is an elected representative in the assembly. He and other leftists there have called on the military government to step down, and have urged the people to go to the streets to back their demands.

The government accuses the Cudros group of using the strike for political ends.

The emergency measures were also applied at the southern port of Ilo, where Southern Peru and state-owned Minero-Peru have metallurgical installations, at the mines of the state-owned Centromin-Peru company in the central Andean region east of Lima, and in the iron mines owned by the state corporation Hierro-Peru in Marcona, 275 miles south of Lima.

The affected operations produce more than 80 percent of the country's minerals.



Charles Eames with a chair of his design.

Designer Charles Eames Dies in U.S.

VENICE, Calif., Aug. 23 — Designer Charles Eames, 71, perhaps best known for his molded plywood chairs, died Monday in St. Louis, where he went last week to supervise a botanical gardens design project. His death was tentatively attributed to a heart attack.

Praised for his wide-ranging talents, Mr. Eames was described two decades ago as a man who "has designed buildings and built them, placed them on their site, furnished them, decorated them, photographed them and organized festivals to them, all with an equal sense of discovery and delight."

One of his last major creations in Los Angeles was "The World of Franklin and Jefferson," a bi-centennial exhibit previewed in Paris, Warsaw and London before it toured the United States in 1976.

Perhaps one of Mr. Eames' most famous exhibits was the seven-screen documentary film on how American people live, on permanent display at the American National Exhibition in Moscow in 1959.

But it was furniture that Mr. Eames seemed to like most and furniture that built his fortune.

"I've chosen to do things which one can attack and better control as an individual," he said in 1971, explaining why he had ceased designing buildings. "Furniture design or a film, for example, is a small piece of architecture one can handle."

The son of a St. Louis photographer and painter, Mr. Eames worked as a grocery delivery boy, envelope folder, steel mill laborer and apprentice draftsman before he won an architecture scholarship to the city's Washington University — only to fail over disagreements with teachers who disparaged his idol, architect Frank Lloyd Wright.

Mr. Eames earned commissions for buildings and houses, traveled to Europe to study architecture and to Mexico to study sculpture. Returning to the United States, he became head of the experimental design department at Cranbrook Academy of Art in Michigan.

There he worked with Eero Saarinen in 1940 to create the first molded plywood chair, winning two first prizes to an international competition sponsored by the Museum of Modern Art in New York.

Artist Ray Kaiser made drawings of the chairs — she married Mr. Eames a year later — and a few years after that, helped him develop the inexpensive molding process that made the chairs commercially successful.

Mr. Eames had worked as an MGM set designer and the couple was planning to audition as circus clowns to support themselves when the innovative chair was selected for mass production. The molding process they perfected in their small Los Angeles apartment required the Eameses to pedal a sta-

tionary bicycle, activating a pump that produced the compressed air necessary to bend the plywood.

Decades of Projects

With profits from sales of the chair, Mr. Eames built their residence, which he had designed, and financed three decades of projects. Although he worked in Los Angeles for 37 years, Mr. Eames often remarked that most of his clients came from east of the Mississippi.

He was asked to organize a memorial exhibit of India's Jawaharlal Nehru in 1964, only a few years after his successful U.S. presentation in Moscow.

In 1970, he expanded his talents to give the Charles Eliot Norton Poetry Lectures at Harvard University and was named to former President Richard Nixon's National Council on the Arts.

Mr. Eames explained his interest in items ranging from toys to chairs to baked bread smells for films by saying:

"The motivation behind most of the things we've done was either that we wanted them ourselves or wanted to give them to someone else."

Mr. Eames, accustomed to his unusual range of talents, took the appointment to do the poetry lectures philosophically: "They give it to an off-beat fellow about every three years."

—MYRNA OLIVER
Los Angeles Times

Obituaries

Author Ignazio Silone, Italy Communist Founder

GENEVA, Aug. 23 (UPI) — Ignazio Silone, 78, the Italian author who co-founded his country's Communist Party 57 years ago, died in a hospital last night after a long illness.

Mr. Silone was the first Western Communist leader to break with Stalinism in 1927.

Mr. Silone, whose real name was Ignazio Tranquilli, was born at Pescina in the Abruzzo mountains of central Italy on May 1, 1900. He was one of Italy's best known contemporary writers.

His parents were peasants and he was orphaned in 1919 when an earthquake devastated the Pescina region. He already had entered politics, writing pamphlets against corruption at the age of 17.

In 1921, Mr. Silone co-founded the Italian Communist Party and carried out missions in the Soviet Union, Germany, Spain and France. In 1925, he took charge of the clandestine party in Italy.

He broke for good with communism as well as Stalinism in 1931 when he fled to Switzerland because of fascism in Italy.

In the following 10 years, Mr. Silone worked abroad for Italy's Socialist Party but in 1941 abandoned direct politics to devote his time to writing.

His best known books were "Fontamara," which coincided with his break with communism, and "Pane e Vino" (Bread and Wine), both published in Zurich.

In 1965 he published "Emergenza Exit," a summing up of his political beliefs.

In his later years, Mr. Silone showed a growing interest for Christianity — he had attended a Roman Catholic institute as a child — and wrote "Story of a Poor Christian," a novel about Celsus V, the humble monk who resigned after four months as pope.

His realistic description of the plight of the peasant countryside against fascism, reported in "Fontamara," brought him international fame.

Pierre-Antoine Paulet

VERSAILLES, France, Aug. 23 (AP) — Pierre-Antoine Paulet, 84, chief of the restoration work at the Palace of Versailles, has died of a heart attack. It was announced today.

Mr. Paulet, one of France's foremost art restorers, was stricken Saturday while cleaning a painting in



Ignazio Silone

the palace restoration laboratory, officials said.

In recent years he had been one of the key figures in the extensive restoration work at Versailles and the adjoining Grand and Petit Trianons, which curator Gerald van der Kamp organized. Much of the restoration was financed by Americans.

John L. Sehon Sts

NEW YORK, Aug. 23 (UPI) — John L. Sehon Sts, 67, former United Press International editorial executive, died today of cancer at New York Hospital.

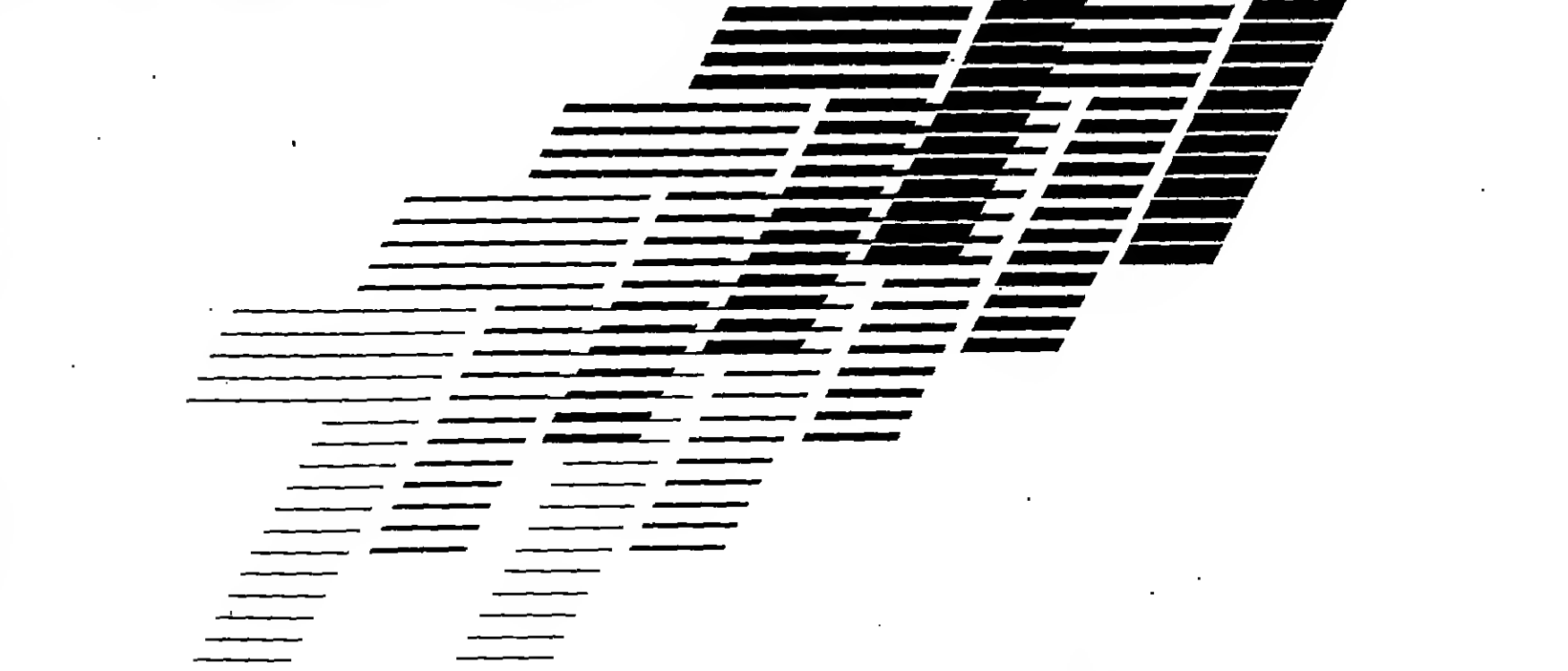
Mr. Sehon joined the then United Press following World War II and was responsible for news coverage in Kentucky, West Virginia, and Maryland. In 1949 he was transferred to UP's headquarters in New York as a general executive. He was editorial assistant to the president when he retired from UPI in 1964 to establish his own public relations firm, the John L. Sehon Agency.

Tremor Jolts Taiwan

TAIPEI, Aug. 23 (UPI) — A slight tremor shook central and northern Taiwan today but no casualties were reported, the Central Weather Bureau said.

A Favourable Trend

Nord LB-Result



For Norddeutsche Landesbank, in common with the greater part of the German economy, 1977 was a year of consolidation and steady progress rather than one of vigorous upswing. Against this background the healthy trend of growth in all major sectors of our banking business and in our ordinary profit and loss account can be regarded as very satisfactory. The balance sheet total increased by 6.6% to DM 35.7 billion. Our volume of credit expanded to DM 25.0 billion. Gross sales of our own bonds amounted to DM 2.4 billion. The above together with net earnings for the year of DM 49.2 million show that 1977 was another year in which we made good progress. Norddeutsche Landesbank has, therefore, every reason to thank its business associates at home and abroad for their confidence they have shown in us and for the success to which they have contributed; and we do this with the promise to continue our endeavours, to improve further the facilities and services we offer in all sectors of banking and credit.

Nord LB - Abridged balance sheet:

Assets	Balance sheet as at 31.12.1977, in million DM	Liabilities
Cash	692	Liabilities to banks
Bills of exchange	204	6,348
Due from banks	6,773	Liabilities to customers
Due from customers	18,869	4,254
Securities	2,307	Savings deposits
Fiduciary loans	1,086	2,724
Investments in subsidiaries and associates	438	Bonds issued
Assets of the regional building society (Landes-Bausparkasse)	3,778	15,687
Other assets	1,521	Fiduciary loans
		1,086
		Capital and reserves
		841
Total assets	35,668	Liabilities of the regional building society
Group balance sheet	36,807	(Landes-Bausparkasse)
		3,655
		Other liabilities
		1,073
		Total liabilities
		35,668
		Total activities
		44,487

Norddeutsche Landesbank
Girozentrale
Hannover - Braunschweig

Old London Fish Market Is Losing Out to Traffic

By Robert D. Hershey Jr.

LONDON, Aug. 23 (NYT) — Billingsgate, the colorful fish market that has occupied the same site on the Thames near Tower Bridge for at least a thousand years, is being forced to move.

The bustling wholesale arena, whose name has become a synonym for foul language, is being slowly strangled by 20th century traffic. Within a few years it will follow the Covent Garden vegetable and flower market to anonymity in the outskirts.

"We don't really want to move, but it'll soon be impossible for a chap to cross the road," said Raymond Bywaters, a veteran fish merchant, as activity in the vast, grimy Victorian hall began to subside yesterday. Lower Thames Street, now badly congested, is to be made a dual highway.

There is another reason for the decision: fear that the cracked, centuries-old building might collapse. Government planners, while making perfunctory bows to tradition, have seized upon a chance to build a new fish market that might help revive London's desolate docklands.

Improve Environment

"Many people would naturally regret the ending of the historic market at Billingsgate," a Whitehall bureaucrat said. "But I think it must be generally recognized that the move would give the opportunity to improve the local environment and to realize the great potential of the dockland area."

While politicians argue about who is to pay for and run the new quarters — the City of London Corporation has been responsible for operating the market since 1400, and is reluctant to lose its authority — about 250 tons of fish continue to change hands at the market each day.

This is only about one-third of the trade done in the days before fish was frozen or refrigerated, but Billingsgate merchants say it remains the world's largest inland wholesale market.

Its strength is in the selection it provides to its restaurant and catering-service customers. About 45 varieties are handled regularly, including shellfish. They come from nearly all the ports of Britain and from Scandinavia, the Continent and even the Far East.

Sold by Stone

Most are sold by the stone, a measure equal to 14 pounds, but premium fish such as sole and turbot are weighed in pounds.

Not since the 1930s have fish actually been landed here by boat. They come by truck, either directly from fishing ports or from rail terminals to which they have been sent during the night.

Billingsgate trading is unlike that of other wholesale markets, although a casual visitor seeing huge amounts of fish being trundled around the floor may think otherwise.

Only samples of the merchandise

Charles to Visit Australia
CANBERRA, Australia, Aug. 23 (UPI) — Prince Charles of Britain will visit Australia next March. Prime Minister Malcolm Fraser announced yesterday.

Interest in Hades Is Dying Down

Hell Is No Longer the Burning Question It Was

By John Dart

LOS ANGELES — Not long ago Grand Ole Opry comedian Jerry Clower, a born-again Christian, urged a group of Baptist men in Atlanta to stick to the "basics" of the faith.

"The basics is that Jesus saves," said Clower, his befy form adorned in a fire-red suit and a fire-red ruffled shirt.

"Keep it simple. Hell is hot. Heaven is wonderful. Them that knows Jesus is gonna miss hell and go to heaven," said Clower.

In thinking of hell as an inferno, this former fertilizer salesman from Yazoo City, Miss., has something in common with Dante.

And Clower's fellow Southern Baptists, as well as many other religiously conservative Christians, generally would agree there is a literal place of punishment after death.

But even those people would concede that hell is not the burning question it once was.

Credibility Gap

The credibility of the fiery furnace has suffered recently from the widely read reports from near-death and resuscitated patients who have had visions of heaven — but not hell.

And traditional Christianity has been aware of eroding belief and gradual disinterest within religious circles in a place to sear sin-ridden souls.

Items: • A study by priest-sociologist Andrew Greeley showed that while 70 percent of Catholics surveyed believe in life after death only one third of those questioned said that they believe in hell.

• A Gallup poll last February found that 54 percent of those polled believe in angels and 39 percent in devils. Most significantly, religion analyst Martin Marty's studies show that "only one in eight who believes in hell believes it is a threat to him."

• A Christian psychotherapist says he sees 20 persons a week in group or individual sessions who often discuss their thoughts on death. "I don't remember a single one of them relating their death anxiety to a fear of how they're going to face the Judgment," says Neil Warren, dean of Fuller Seminary's graduate school of psychology.

• Evangelical preachers and teachers today accentuate the positive — the heavenly rewards for believers and, especially, the happiness that faith can bring in this life. Hell is not the conversion tool it was 50 years ago. "In the five months I've been rating churches I haven't heard one sermon on hell," said religion editor George Plagwitz, who "reviews" church services for the Cleveland Press.

• Hell suffers from inattention in liberal-to-moderate churches, which say they're more concerned about justice and morality in this life. Another reason given is the influence of theologians like Rudolf Bultmann (1884-1976), who argued

that the church is not bound to espouse an ancient view of cosmogony "obsolete" for the 20th century.

• A common view, held by Christian Science and Religious Science and believers of other stripes, is that the only "hell" that exists is created during one's lifetime by personal attitudes or actions. Evangelist Ruth Carter Stapleton, quoted to that effect by a religious magazine last year but under criticism currently for alleged unorthodoxy, said recently that she believes that persons can experience hell "even before they die."

New Element

The newest element in the picture arises from studies in a cosmogony field. Regardless of their uncertain status in scientific circles, "return-from-the-dead" accounts have concerned some churchmen

refers to an unspecified number of suicide-attempt cases in which the patients described a gray zone where they viewed people aimlessly walking about, though the experience was not necessarily described as disturbing.

"It remains true that in the mass of material I have collected no one has ever described to me a state like the archetypal hell," Moody wrote. "However... nothing I have encountered precludes the possibility of a hell."

Not Proof, Say Critics

Critics of such research point out that the existence of another realm beyond death is not proved by such testimonies. It has also been suggested that people are recounting imaginings from their own preconceptions of what an afterlife would be like.

However, in talking to 100 patients who came close to death,

trust for the details: "No one knows just how God will reward the just in heaven, or precisely how the damned will suffer in hell. . . . What happens upon the death of an individual is still hidden in mystery. Despite truths of revelation and infallibly defied dogmas, many puzzling questions remain."

Catholic teaching about hell today generally tries to avoid giving the impression it once did that any wrong step or grave sin could mean sure damnation. Rather, hell is defined as punishment for those who consciously and consistently reject God.

Catholic belief also includes an after-death way station called Purgatory, a place of passive suffering for souls whose sins have not been so bad that they cannot be purified and divine justice can be satisfied. One priest likens it to a "continuing education center."

Translation Factor

Hell seems mentioned enough in the Bible to be plainly interpreted by believers as a place of punishment, but biblical studies show a variety of words lie behind the English translation "hell."

In the Hebrew scriptures, the Old Testament to Christians, the word used is "sheol" and appears to be merely a grave for all the dead. Jews today generally believe the soul is immortal but reject an afterlife for a resurrected body.

The Jewish Talmud indicates an unclearly defined form of punishment for the wicked principally associated with fire, but a later Jewish sage, Maimonides, interpreted the punishment of the wicked as a denial of eternal life for them.

The rabbis of early Judaism used the term "Gehenna" (the valley of Hinnom) to refer to this "hell," and this is the term in New Testament passages which have Jesus refer to "hell." The valley, outside of Jerusalem, was a burial place and, some scholars say, a place for burning refuse and the carcasses of animals.

The Greek words "Hades" and "Tartarus" also lie behind some New Testament translations of "hell." Some Greeks of that era apparently believed that Hades should have divisions: Elysian Fields for the righteous and Tartarus for the wicked.

© Los Angeles Times

'The credibility of the fiery furnace has suffered recently from the widely read reports from near-death and resuscitated patients who have had visions of heaven — but not hell.'

about their effect on traditional beliefs.

Strikingly similar descriptions of a light-filled and pleasant realm have emerged from patient interviews conducted by physician-author Raymond Moody and death researcher Elisabeth Kubler-Ross and more recently by a Southern cardiologist and a Connecticut psychologist. Those interviewed were either near death at one point or were resuscitated after being declared clinically dead.

In a best-selling 1975 book, "Life After Life," Moody said some of the most frequently occurring impressions are that the person leaves the body, even "seeing" it from afar, feeling peace and quiet and being drawn through a dark tunnel, meeting other beings, often deceased friends or family, then seeing a being of light.

The light being emits warmth and love rather than blinding brilliance. All persons, religious or nonreligious, said that they were drawn to this light. Some Christians identify it as Jesus Christ.

In Moody's second book, "Reflections on 'Life After Life,'" he

Kenneth Ring, a psychology professor at the University of Connecticut, said he found almost no correlation between a person's religious beliefs and what they described.

As in the other studies, many report "seeing" nothing. Of the approximately 50 who reported "experiences," Ring said, the descriptions were "completely consistent" with Moody's accounts.

Kubler-Ross, a widely sought speaker on dying and stages of grief but controversial for some of her recent views on out-of-body experiences and other views, said in an interview that there are "thousands" of cases of people who tell of another existence.

"From all our accounts," she said, "there is no evidence of a judgmental, punitive god that condemns us."

On the whole, however, such research "curiously... has not been given much attention by theological or religious journals and still less by preachers, clergy or church people," according to Theology Today, published at Princeton Theological Seminary.

Catholic priest Hugh Calkins says that the Christian must rely on



"Few seem to know what Fruit of the Loom means, but not to worry. C'est la mode."

T-Shirt Bonanza

Fad Looms From Unexpected Harvest

By Jane M. Friedman

PARIS (IHT) — The Europeans have done it again. They have taken a nondescript U.S. product — this time the name of an underwear manufacturer — and turned it into one of the hottest-selling fads in Europe. All along the streets of Paris, on the beaches and in the ports of the Cote d'Azur, even as far as Japan, hip people are wearing cotton T-shirts stamped with the Fruit of the Loom logo.

"It's the hottest thing in Paris this summer," said Alain Djan, a salesman at the Venezia shop on the Left Bank's Rue de Buci. The shop, which stocks about a thousand Fruit of the Loom T-shirts and sweatshirts in all varieties — big or little emblem, in many colors, says it sells tens, and sometimes hundreds, of the shirts each day. The T-shirts are made in the United States. The Fruit of the Loom logo, a crescent shape of grapes and an apple.

The fad has become so hot that many shops have run out. French merchants have begun to manufacture others with similar fruit baskets but with different slogans — such as "Fruit of the Son," "Fruit of Love" and "Fruit Cup." "My friends are making them in their basements," said one boutique owner on the Rue-St-Andre-des-Arts.

Logo Lawsuits

According to Peter Felberbaum, a vice president of Fruit of the Loom, Inc., the number of rip-offs is a growing concern to the company, which has initiated lawsuits in several countries to protect its 128-year old logo. The corporation would not say how many suits are involved.

Although the Fruit of the Loom fad reached its apex in Europe this summer, it actually began a few years ago. Fruit of the Loom's Italian licensee, International Sportswear, in Florence, decided, according to Mr. Felberbaum, to take the logo from the jockey shorts and emblazon it on the outside of garments. According to Jose Altue, owner of a boutique in one of the underground malls of the Champs-Élysées, models began to wear the

long T-shirts as nightgowns. The Fruit of the Loom fad caught on in St. Tropez last summer. This summer, traveling Germans, Dutch and Spaniards picked it up. It moved north to Paris. Mr. Altue indicated that other T-shirts are difficult to sell.

A young Japanese sipping coffee on the Boulevard St. Germain had no idea why he had bought his Fruit of the Loom T-shirt except that it's "la mode." In Japan as well as here, "it's prettier to have a T-shirt with an inscription than without one," said a Frenchwoman who wanted a "Froot ov ze Loom" T-shirt this week.

"The minute the French can't understand the words," cracked a salesman, "they think it's chic."

Indeed, the French who wear the shirts have no idea what Fruit of the Loom means nor what it connotes for Americans who have grown up with it. "Doesn't it mean passion fruit?" asked Brigitte Cassin, 20, who owns two of the T-shirts. "Doesn't it have something to do with homosexuality?" guessed Bernard Laugier, a music student wearing a V-neck T-shirt with a tiny emblem on the left side.

While Europeans are turned on to the Fruit T-shirts, Americans seem put-off. "It's anti-chic," said one young U.S. woman, adding "ugh."

"I have the impression Americans are offended," said Mr. Djan of the Venezia shop. One American, speaking sarcastically, asked Mr. Djan for the name of a French underwear manufacturer so he could start a similar fad in the United States.

But the U.S. market has already been pre-empted. Looking at the success in Europe, Fruit of the Loom decided to pitch the T-shirts at the home market. And everybody knows that once a fashion succeeds in Paris, it's a sure thing in New York. This summer, Americans can buy Fruit of the Loom T-shirts at Bloomingdale's and other New York department stores.

But as Americans catch on, you can be sure the French will be on to something new. And they are. Mickey Mouse T-shirts are going to be the next fad, says Mr. Djan. After all, it's Mickey's 50th birthday.

Music in Italy

Chamber Music Festival Opens in Citta' di Castello

By William Weaver

CITTA' DI CASTELLO, Italy, Aug. 23 (IHT) — The upper valley of the Tiber, including a part of the Tuscan province of Arezzo and the Umbrian province of Perugia, is one of the most beautiful — and least visited — parts of central Italy. An occasional art-loving tourist ventures there to see the paintings of Piero della Francesca at Borgo San Sepolcro or, in beautiful

isolation, his "Madonna del Parto" in the little cemetery chapel at Monterchi. But, for the rest, the handsome towns and small cities are left to themselves, and the splendid landscape, too, is uncommemorated.

Even the inventive 11-year-old International Festival of Chamber Music at Citta' di Castello — though it assembles musicians of world fame and arranges programs

of exceptional interest — performs more for the large and alert local public than for the usual distracted throng of fashionable festival-goers.

A large part of the festival this year is devoted to Antonio Vivaldi. Last night's concert consisted of two works, the unpublished "Crededti," a setting of the 115th Psalm (performed here for the first time), and the profane cantata "La

Senna Festeggiante," a work written in 1729 to celebrate the birth of a French prince (hence the title: "The Festive Seine").

The psalm, set for mixed choir, was performed a cappella by the admirable Cantori Venezzani, a group founded only in 1974 but already widely respected in Italy, thanks to the skill and determination of its choirmaster Davide Liani. The young voices, sensitively

blended, gave a good account of the sober, somewhat conventional piece.

Much longer was the cantata, or serenade, and it must be admitted that this occasional piece — in which singers represent the Seine and such abstract notions as Virtue and the Golden Age — had its loggion, despite the obvious conviction and serious preparation of the performers.

Music in London

Six Sins Too Many Make Brecht-Weill a Bit Deadly

By Henry Pleasants

LONDON, Aug. 23 (IHT) — The English National Opera celebrated the 10th anniversary of its move from Sadler's Wells to the Coliseum last night with a new production of Kurt Weill and Bertolt Brecht's "The Seven Deadly Sins of Ordinary People," painting its apocalyptic picture of last season's admirable production of Puccini's "Gianni Schicchi."

If, in the event, the older production comes over as the more effective of the two, it is probably because one sin (greed) is sin enough for a one-acter. Brecht and Weill, in their oddly conceived satire — a tenuous blend of ballet, cantata and musical — packed seven sins into less than 40 minutes, with the result that no one of them has space for properly sinful elaboration.

Still, the piece has charm, thanks primarily to Weill's saucy tunes, cheeky rhythms and subtly astringent scoring, and it is the charm that is emphasized and enhanced in Michael Geliot's characteristically ingenious and imaginative production, strongly supported by Richard Alston's choreography and the evocative sets by Ralph Koltai and Nadine Baylis.

One imagines that Lotte Lehya and Tilly Losch, the Anna I and Anna 2 of the original Paris production of 1933, may have made more of the sinister dualism of idealist and opportunist common to "Ordinary People" than did Julie Covington and Siobhan Davies last night, although both performed delightfully.

Possibly too delightfully, which may have had something to do with their being rather upstaged by the male quartet representing Anna's abundantly sinful family, and especially by the veteran Dennis Wick in the basso travesty role of the monk.

The in-depth strength in personality of the English National Opera was vividly reflected in a "Gianni Schicchi" season, most notably the new and marvelously rustic and rustic Schicchi of Eric Shilling.

INTERNATIONAL EXECUTIVE OPPORTUNITIES

Saudi Arabia Senior Corporate Positions

£20,000 plus (free of tax)
Married Status

A large Saudi Arabian Business Group, active mainly in trade, contracting and industry, also participating in joint ventures with large international corporations, is now expanding its corporate management. The Group wishes to fill the two vacancies:

Corporate Lawyer

To advise senior management on all contracts of employment, agency, representation, supply, execution, joint ventures, partnerships and company registration and to take responsibility of Group legal secretarial work in amendment and up-dating Agreements, Deeds, Articles of Association and to keep all necessary documentation of Minutes and Resolutions. Candidates are expected to have a good academic or professional qualification, to have undertaken similar work for a period in excess of 5 years in sophisticated legal systems, and to be familiar with English, European and preferably Islamic Law.

Personnel Planning Co-ordinator

To advise Group senior management, as well as line management of individual subsidiaries on manpower planning, career development, including estimates of labour requirements, recruitment, pay-scales, administration of benefits, training, review and promotion, industrial relations, negotiation of labour force supply contracts etc. Candidates are expected to have broad academic exposure and to have undertaken similar work (preferably in Middle East conditions) for a period in excess of 10 years.

Both positions are located in Saudi Arabia. Remuneration will be in excess of £20,000 (Twenty Thousand Pounds Sterling) in addition to fully furnished housing, transportation, vacations etc. Interested applicants should write to: Enpro Business Representatives Limited, 7 Old Park Lane, Mayfair, London W1Y 3LJ.

ENPRO

We are looking for
BROKERS

in all countries to sell shares of an old and well-renowned Swiss trade and real estate company, not quoted on the Stock Market.

Interesting conditions.

Write under reference A.18-118197,
PUBLICITAS - CH 1211 GENEVE 3.

TRUCK SALES REPRESENTATIVE
SAUDI ARABIA

Prominent U.S. manufacturer of heavy-duty trucks has an opening for an Area Sales Representative to be based in Saudi Arabia. Qualified candidates will have on engineering or business degree, a minimum of 5 years experience in heavy truck sales (preferably in the area) and be a proven performer in managing truck distribution.

The position carries an excellent salary plus fringe benefits including a cost of living allowance, home leave passage and a comprehensive medical/pension plan.

Send resume with salary history to:
Box D, 1166, Herald Tribune, Paris.
An Equal Opportunity Employer M/F.

MANAGER
International Operations

We are very interested in hearing from you if

- you have a technical background preferably in electronics;
- you are experienced in avionics marketing to European governments and aerospace companies;
- you possess a current or easily renewable U.S. security clearance;

The selected candidate will be located in Brussels and will report directly to the Vice President, Marketing, of Teledyne Electronics, a Teledyne company located in California. Interviews will take place in Europe in September.

Please send your resume including salary history and requirements to:

Teledyne Belgium S.A.
Attention: Miss M. Meulenber
181 chaussée de La Hulpe,
1170 Brussels - Belgium.

Sales
Engineer

North Africa and Middle East

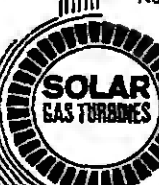
As a result of recent internal promotions, Solar Turbines — leading manufacturers of industrial gas turbines — are looking for an experienced Sales Engineer to enhance successful market penetration in North Africa and the Middle East.

You must be able to formulate viable sales strategy and to create, develop, and maintain markets through direct customer liaison. The technical expertise necessary to keep up to date with advancing technology in the power generation equipment industry is, of course, essential.

We require a formal qualification in mechanical/electrical engineering, supported by at least 3 years experience with turbo machinery in the oil and gas, engineering construction or power generation industries. You must also be in a position to bring us a proven record of sales success in the Middle East and/or North Africa.

This position is based in Brussels, and the successful candidate will be offered the competitive compensation package and fringe benefits normally associated with a multi-national company.

If you feel that your qualifications and experience match our requirements, please write immediately — with brief details — to: Manager — Human Resources, Solar Turbines Ltd., 19/23 Knightsbridge, London SW1X 7LY.



GENERAL APPOINTMENTS

Spanish affiliate of important international company seeks mature lady as

EXECUTIVE
SECRETARY

for its Madrid Headquarters Office

The applicant must be completely bi-lingual Spanish-English and be either a Spanish citizen or the holder of a Spanish permanent residence permit.

Working hours are 10-2 and 4-8 Mon. through Fri. An excellent remuneration is offered to the right person.

Please reply with full details of experience, education and salary history to:
Mr. Fernando Manasterio, Gurtubay 3, Madrid 1.

Handwritten note: "Joly 10/1/50"

Handwritten note: 1500

BUSINESS

INTERNATIONAL
Herald Tribune

FINANCE

Published with The New York Times and The Washington Post

PARIS, THURSDAY, AUGUST 24, 1978

Page 7

Saudi Prince Spurns Currency Basket

Fahd Reaffirms Faith in Dollar

KUWAIT, Aug. 23 (AP-DJ) — Prince Fahd of Saudi Arabia has reaffirmed the kingdom's faith in the U.S. dollar and says oil prices will not increase if the cost of imports remains stable.

Prince Fahd, brother of King Khalid and a key administrator, told Kuwait's Al-Sayass newspaper that Saudi Arabia is opposed to adopting the proposed basket of currencies as a substitute for the dollar in calculating oil prices.

"We believe the dollar is the most important currency, which in my mind will restore its strength and again become the strongest currency in world investments," Prince Fahd said.

"Furthermore, if we accepted the basket of currencies, our dollar income and investments will be affected. We want to avert such losses, in view of our position as

the largest oil producer. We also want other states to avoid losses as a result of adopting the basket," he added.

He said that one element in his country's rejection of the switch to a basket of currencies — a move sought by some states within the Organization of Petroleum Exporting Countries to compensate for lost revenue due to the dollar's slippage on money markets — was the fact that the Saudis had huge dollar investments.

He said that in the search for Middle East peace, "the Arabs have given many concessions and have shown extreme flexibility; it is now the turn of the other side to give."

"We believe the United States should now be strict and decisive, as the Arabs have nothing left to

give. This is why we supported the Camp David summit."

On the much discussed subject of oil prices, the prince said, "As long as prices of consumer goods and manufactured goods remain stable, without clear inflation, we have no intention of raising prices."

The interview with Al-Sayass's chief editor, Ahmad Jarallah, followed a reported proposal by Saudi oil minister Sheikh Ahmed Zaki Yamani for a system of small-dose and periodic increases in crude oil prices.

In an interview last week with the Saudi daily Al-Madina, Sheikh Yamani said he would like to see higher premiums paid for high quality crudes, adding that hikes in small increments would avoid the kind of crisis in the oil-importing countries that resulted from the large price increases of 1973.

Prince Fahd did not allude to this reported proposal in his interview with the Kuwaiti newspaper, only suggesting that prices be somehow pegged to the cost of imports.

"Western countries must know that when we increase our oil prices, we do so reluctantly without being pleased with it," he said. "Last year's oil price increases were designed to bring oil prices into line with prices of consumer and manufactured goods, which were rocketing at a dismaying manner," he added.

Saudi Exports Down

JEDDAH, Saudi Arabia, Aug. 23 (AP-DJ) — Saudi Arabia's oil exports fell by almost 3 percent in July to an average of 6.75 million barrels a day, the Petroleum Ministry said yesterday. The Arabian American Oil Co. exported an average of 6.59 million barrels a day; the Arabian Oil Co. exported 101,044 barrels a day and Getty Oil share was 46,721 barrels.

Japan Urges U.S. to Activate Swap Line

TOKYO, Aug. 23 (Reuters) — Bank of Japan governor Teichiro Morinaga said he has taken every available opportunity to ask the United States to activate the \$2-billion swap line between his bank and the New York Federal Reserve.

He told a press conference the United States has still not given him any indication as to whether it will activate the arrangement but he will continue to make the requests.

He said he welcomed the U.S. decision to raise the discount rate and to expand its gold sale auctions as signs of determination in Washington to sustain the dollar's value.

W. Germany Cuts Surplus In July Trade, Accounts

WIESBADEN, West Germany, Aug. 23 (AP-DJ) — West Germany narrowed its trade surplus in July to 2.3 billion Deutsche marks from 3.96 billion DM in June but it was up from 1.75 billion DM in July 1977, the statistics office said today.

The current account posted a preliminary deficit of 1.7 billion DM in July against a 2.19-billion-DM surplus in June and the year-earlier deficit of 2.13 billion DM.

The July figures bring the trade surplus for the first seven months of the year to 21.25 billion DM, compared with a surplus of 20.11 billion DM in the 1977 period.

Exports in the month totaled 21.4 billion DM, down from June's 25.6 billion DM but up slightly from July 1977's 21.2 billion DM.

Imports totaled 19.1 billion DM in July against 21.7 billion DM in June and 19.4 billion DM in July 1977.

Foreign-exchange dealers said after the results, that the July surplus was not out of line with market estimates and it had little effect on the dollar-DM rate.

The 3.3-billion-DM gain in the year-to-date current-account surplus in 1978 from the 1977 period was attributed to vacation period differences between 1978 and 1977, an economist said.

In 1978, he said, many West German states began vacation periods in July rather than in June as in 1977. This, in turn, delays by a month some of the reaction in the figures to vacation spending abroad by Germans.

Japan Interest Rate Off

TOKYO, Aug. 23 (AP-DJ) — The loan interest rate charged by 13 Japanese city banks fell by an average of 0.072 percentage point in July to 5.682 percent per year, according to a preliminary report by the Bank of Japan.

Toshiba, Rank Form Joint TV Venture

LONDON, Aug. 23 (AP-DJ) — Tokyo Shikoku Electric is to become the third Japanese company to build television sets in Britain.

Toshiba and Rank Organisation Ltd. today announced the formation of Rank Toshiba Ltd., a joint venture company which will take over Rank's TV and audio products plants in Britain's West Country.

The new company, which officially begins operations Nov. 1, will be 70 percent owned by Rank and 30 percent by Toshiba.

Sony and Matsushita Electric already have plants in Wales making television sets for Britain and elsewhere in Europe.

Late last year, Hitachi Ltd., bowing to stiff opposition from British TV-set makers and electronic unions, dropped plans to set up a factory in northeast England to build color-TV sets. The Toshiba-Rank venture, however, has the

Surplus Up For France On Trade

PARIS, Aug. 23 (AP-DJ) — France recorded an unadjusted trade surplus of 2.67 billion francs (about \$605 million) in July, up from a surplus of 2.518 billion francs in June, and compared with a deficit of 106 million francs in July 1977, the External Trade Ministry announced today.

Unadjusted imports amounted to 26.97 billion francs, down from 30.6 billion in June, but up from 25.66 billion in July 1977. Exports stood at 29.64 billion francs, down from 33.11 billion a month earlier but up from 25.56 billion a year ago.

For the first seven months of the year, France recorded an unadjusted trade surplus of 3.55 billion francs compared with a deficit of 9.08 billion francs in the like 1977 period.

Seasonally adjusted trade recorded a surplus of 905 million francs in July, compared with a surplus of 459 million francs in June and a deficit of 1.28 billion francs in July last year. Adjusted imports stood at 29.85 billion francs, up from 28.47 billion francs in June and 27.41 billion in July last year.

Exports amounted to 30.76 billion francs, up from 28.925 billion in June and 26.135 billion in July 1977.

support of both the British government and TV industry unions.

Alan Williams, minister of state for industry, announced that the government is making a grant of £1.95 million to Rank Toshiba to help the new company with its expansion plans.

He said the Toshiba agreement "is an excellent example of the joint venture approach which I have been urging Japanese companies to consider when planning inward investment in Britain."

Rank expects to produce about 175,000 color TVs this year, but plans are for Rank Toshiba to boost this output to 350,000 sets by 1981, with 40 percent of this production being sold under Toshiba brand names and the remainder under Rank brand names.

Rank Toshiba will also make monochrome TV sets and audio products.

Rank's main contribution to the joint venture are its manufacturing facilities at Plymouth and Redruth in Cornwall, which employ about 3,000 persons. Rank suffered an operating loss of £3.2 million on its TV and audio products operations last year.

Toshiba is putting up £3 million cash for the venture, "plus access to its highly valued technology," the Rank announcement on the joint venture said. Rank made it clear that it hoped to benefit from the Japanese company's expertise.

The British company said Toshiba "is in a very strong position in international consumer electronics which enables them to develop new technology and products."

Mr. Williams said the Rank-Toshiba venture "is a good example of foreign investment actually adding to job-security in Britain."

The Electrical, Electronic, Telecommunication and Plumbing Union, in a statement welcoming the Rank-Toshiba deal said: "Everyone knows the (British) color-TV industry is suffering from over-capacity. We are glad that the Japanese company involved in this case is protecting existing capacity, rather than dangerously increasing it."

The union also said it would be pressing for maximum use of British components in the products to be made by Rank Toshiba.

Rank Toshiba will operate as a subsidiary of Toshiba (U.K.) Ltd.,

AMC Said Suspending New Designs

American Motors Corp. has quietly suspended design engineering on future car lines. Instead, the 40.4 U.S. automaker has focused the attention of its engineers solely on two new Jeep vehicles and on making sure that the French-made Renault cars it has agreed to market in the United States will meet stringent Federal regulations, it has been learned.

AMC officials decline to comment on the report. Industry observers, however, suggest that such a move would be a logical step for the smallest of the Big Four auto manufacturers. Jeeps represent the fastest selling of the AMC lines, they note, and the company's financial future hinges on the outcome of its current negotiations with Renault, the French government-owned auto maker. The talks center on a joint design, manufacturing and distribution program under which AMC reportedly would market Renault cars in the United States in exchange for a \$100 million loan. Meanwhile, AMC tentatively raised the prices on its 1979-model automobiles an average 4.6 percent, or \$235 each, from the 1978 prices.

China Forms Joint Ventures

Itoman & Co. says it will start a joint venture to produce textile goods with China's National Textile Import and Export Corp. starting next year. It will supply China with production facilities and technical expertise, and import the finished goods to Japan. The first step in the venture will be to produce pajamas, officials say. Meanwhile, Sulzer Brother reports it has signed a licensing agreement with China's National Technical Import Corp. under which China will be able to produce Sulzer diesel-marine engines. Sulzer said that China was planning to expand its merchant fleet and that the agreement covered production under license of large, slow-running, two-stroke diesel engines. China

also has ordered a \$35 million synthetic leather manufacturing plant from a group of Japanese companies, JGC Corp., a leading engineering firm, says. The plant will be formally signed in Peking Sept. 1. The plant will be capable of producing 10,000 tons of MDI (diphenylmethane diisocyanate), the material for synthetic leather beginning 1981.

BP to Consolidate Sohio Results

British Petroleum says that its results for the second quarter of 1978, due Sept. 7, will for the first time include the income of its Standard Oil Co. subsidiary of the United States on a fully consolidated basis. June 16, BP earned a majority voting interest in Sohio as a result of the sustainable net production from its Prudhoe Bay properties in Alaska reaching 450,000 barrels a day. Now that BP's interest exceeds 50 percent, U.K. accounting practices require BP to consolidate fully Sohio's results into BP group accounts. In doing so, it said, BP is required to adjust Sohio's results so that they are computed on a basis consistent with BP's accounting policies where these differ — principally concerning stock valuation and deferred taxation.

IBM Limits Price Rise to 4%

International Business Machines pledged to hold its price boosts to less than 4 percent this year and its average increase in employee compensation to less than the average of the past two years. But the promise, made by IBM board chairman Frank Cary to a letter to Carter administration inflation counselor Robert Strauss, is somewhat diminished because the company has been under competitive pressure to cut prices, and its costs for some raw materials have declined. Mr. Cary even added that because its 1976 and 1977 price increases were "extremely small," the company may exceed the administration's official guideline of holding price rises to less than the average of the past two years.

Riding a Routine Wave of Record Earnings

Banco do Brasil Fuels Economic Surge

By Larry Rohrer

RIO DE JANEIRO, Aug. 23 (WP) — When Banco do Brasil president Carlos Rischbieter summoned the press a few weeks ago to announce the institution's balance sheet for the first half of 1978, he kept his comments brief and impassive. The bank's first-quarter gross earnings of \$916.4 million "have fulfilled our expectations," he said laconically.

At some other bank, officers perhaps would have made more ceremony of such spectacular figures — gross profits up 31.4 percent over the previous quarter, and net worth in local currency terms up 89 percent in the last year. But at Banco do Brasil, a semi-private bank known here by the nickname "BB," record-breaking performances are so routine that this latest one passed almost without comment.

Yet, it is thanks to results such as those Mr. Rischbieter announced in Brasilia last month that Banco do Brasil, which despite its name is not Brazil's official central bank, now ranks as the world's seventh largest bank. As of the end of 1977, BB had assets of \$46.7 billion and deposits of more than \$26.6 billion.

And, in terms of the bottom line, Banco do Brasil is without rival in the international banking community. The gross earnings of more than \$1 billion it reported in 1976 and again last year are the highest ever recorded anywhere. Banco do Brasil owes this performance to a number of factors, chiefly its privileged position in one of the fastest-growing economies in the world.

With approximately 60 percent of its stock in the hands of the government, BB has become the financial engine powering the 15-year economic surge that has made Brazil the eighth largest economy in the West.

And even as the growth of the economy itself has slowed a bit — from a heady 10-percent annual clip to a respectable 5 percent — as a result of the international energy crisis, BB has continued its remarkable expansion.

Deposits have grown from \$10.9 billion since 1973, while assets and loans have almost tripled in the same period.

Much of the current \$39 billion in loan operations has been poured through Caxex, its foreign-trade department, into official export and subsidy programs, or used to finance the scores of industrial projects the government has deemed essential to Brazil's continued growth. But BB also showed an unorthodox side recently by unwinding a version of the Maxim Gorky play "The Victims" for staging in Rio's theater district.

Virtually no financial operation, in fact, takes place in Brazil without BB being involved in one way or another. It is a major commercial bank, but it is also functionary as the world's biggest agricultural bank, a development bank, a holding company and, at times, even as a central bank.

To Brazilian private and state bankers who chafe at BB's dominant role in Brazil's highly central-

ized economy, the bank is simply "the monster" — a huge and often unwieldy beast that gobbles up scarce capital and has extended its tentacles into every corner of Brazilian life. "There's simply no way for any of us to compete with Banco do Brasil," complains one private banker here.

Particularly resented by the banking community are the regulations that for the past decade have required Brazilian government funds to be deposited in one of BB's 1,322 domestic branches, which employ 80,000 persons. Thanks to other rulings, Banco do Brasil pays no interest on its substantial government deposits.

But some foreign bankers here argue that BB would reap even higher profits were it not for the dual private-public role it has been

U.S. Surplus Up With East Bloc

WASHINGTON, Aug. 23 (AP) — The United States is running up a large trade surplus with Communist countries this year while falling further behind in trading with its own allies, the Commerce Department said yesterday.

In the first six months of this year, the U.S. trade surplus with the East totaled \$1.7 billion with exports totaling \$2.4 billion while imports were \$700 million.

Food sold to the Soviet Union accounts for most of the U.S. sales to Communist countries. The Soviet is expected to buy \$1.9 billion in corn, wheat and other crops this year, the Agriculture Department says.

Exports to China totaled \$211 million in the first six months, while imports were \$166 million.

NYSE Prices Higher Along a Broad Front

NEW YORK, Aug. 23 (Reuters) — Gains by computer and gaming stocks highlighted a broad advance on the New York Stock Exchange today that was tempered by profit taking.

Analysis said investors were encouraged by U.S. moves to prop up the dollar, by a fall in U.S. durable goods orders and by Saudi opposition to a 1978 rise in oil price.

The Dow Jones industrial average rose 4.59 points to 897, and advances led declines 1,021 to 485. Volume rose to 39.63 million shares from yesterday's 29.62 million.

Pan Am Bid for National

National Airlines said Pan American World Airways made an unsolicited merger proposal on the basis of a cash offer to National shareholders of \$35 a share. National said it has directed Morgan Stanley, its financial advisors, to analyze the details of the proposal. Pan Am, which led the active list, rose 1/4 to 8 1/2. National did not trade today but it closed yesterday at 30 1/2.

Among computer issues, IBM climbed to 300 1/4 before easing to 297 1/4 for a gain of 1 1/4 on the day. Contrail, Data added 1 1/4 to 41 1/4, NCR 3/4 to 65 1/4 and Data General 1 1/4 to 64 1/4. Data Terminal Systems, reporting higher second-quarter earnings, rose 1 1/4 to 43 1/4. Prime Computer 1 1/4 to 35 1/4 and Storage Technology 1 1/4 to 30 1/4.

Among gaming issues, Caesars World added 1/4 to 31 1/4, Bally Manufacturing 1/4 to 47 1/4, Playboy 1/4 to 24 1/4 and M-G-M 1 1/4 to 43 1/4.

Prices on the American Stock Exchange also rose, with the market-value index up 0.92 points to 165.67.

In Chicago, wheat was fractionally higher, corn was lower, oats were mixed and soybeans were higher of the close today on the Board of Trade.

Dollar Up, Gold Down

(Continued from Page 1)

pected to remain fairly thin until the U.S. trade results are posted. They are scheduled to be released next week.

Against the Swiss franc, the dollar ended at 1.6645 francs, up from 1.6580 francs late yesterday but down from its morning level of 1.6950 francs. Against the French franc, the dollar closed at 4.3875, up 30 points from overnight levels but well below its high of 4.4320 francs early in the day.

The dollar rose to 193.10 yen in the first hour of European trading but by the end of the session it dropped to 191.60 yen, up 80 points on the day.

Sterling, which had slipped to around \$1.9165, finished at \$1.9260, down a half a cent from yesterday.

Following the Treasury announcement, an official indicated that there could be further gold sales beyond February. "We'll decide by December or January whether and what will come next," he said.

Treasury officials would not comment on what other measures might be taken, but they emphasized that President Carter had promised a series of steps, indicating that other moves by the government are in the offing.

U.S. Orders Down 5.5% In Durables

WASHINGTON, Aug. 23 (AP-DJ) — New factory orders for durable goods dropped a seasonally adjusted 5.5 percent in July, the Commerce Department reported today.

Orders fell to an adjusted \$65.07 billion last month after falling 1.7 percent in June to an adjusted upward revised \$68.84 billion and was unchanged in May from April at an adjusted \$70.05 billion.

The department said three-fourths of the decline was due to a 16.3-percent drop in transportation equipment orders. The aircraft missiles and parts industry was the main contributor to this decline.

The department said the July decline was the largest since December 1974 when new orders for durable goods dropped 8.6 percent. New orders for non-defense capital goods, considered an indicator of future plant and equipment spending, fell 6.2 percent in July to an adjusted \$16.67 billion following an increase of 0.2 percent in June to an adjusted \$18.16 billion and an increase of 4.1 percent in May to \$18.12 billion.

U.S. Consumers Less Confident

NEW YORK, Aug. 23 (UPI) — U.S. consumer confidence has plunged 15 percent since January, with declines recorded in five of the six months through July, the Conference Board reported today.

Its consumer confidence index (based 1969-70) eased to 88.3 in July, a drop of 3.7 points from the previous month. The board's buying-plans index fell more than 30 points — from 121.7 in June to 91.2 in July — to its lowest point since the spring of 1975.

The survey showed that more than 12 percent of the respondents expected a worsening of business conditions, compared to less than 11 percent in June; more than 20 percent expected fewer job openings, against 18.5 percent in June, while 29 percent expected an increase in incomes, against 33 percent.

Consumer buying plans declined in all areas covered by the study — automobiles, homes, and major appliances.

On purchases of major appliances, about 26 percent said they planned to do so, while a month ago the figure was 30 percent.

U.S. Narrows Deficit

WASHINGTON, Aug. 23 (AP-DJ) — The federal government had a \$7.23 billion budget deficit in July compared with a \$8.68-billion deficit a year earlier. The Treasury said that in June the government had a \$9.06-billion surplus. Receipts in July were \$29.19 billion, down from \$47.66 billion in June but up from \$24.97 billion in July 1977.

VW Net Up 32% For First Half

FRANKFURT, Aug. 23 (AP-DJ) — Volkswagenwerk consolidated net profit rose 32 percent in the first half of 1978 to 265 million Deutsche marks from 201 million DM in the 1977 period, the company said today.

Consolidated turnover rose 9.9 percent in the first half to 13.8 billion DM from the year-ago period's 12.5 billion DM. The company said domestic sales rose 11.9 percent to 9 billion DM from the year-ago period while foreign sales were up 5 percent to \$7.9 billion DM.

The company denied market rumors that it was planning to buy out either Gutehoffnungshutte or a subsidiary, Maschinenfabrik Augsburg-Nuernberg.

VW also hinted at development of a new engine in cooperation with company in the Ruhr region that, said, evoked "surprisingly pleasant" first test results. It declined to mention the firm it is cooperating with or any other details of the new engine, saying it is still in the development phase. But newspaper reports in recent weeks said VW's former is Rubras AG and engine development is aiming to cut fuel use and the amount of fuel consumed in present engines.

Revenue, Profit in Millions

Revenue, Profit in Millions

Revenue, Profit in Millions

Investment Up By Foreigners In 1978 in U.S.

WASHINGTON, Aug. 23 (Reuters) — Foreign investment in the United States continued at a strong pace through the early months of this year, the Commerce Department said today.

Between January 1 and March 31, the department identified 105 foreign investment transactions in the United States both completed and pending, with values reported for 60 transactions at \$1.9 billion.

At the same time, it said preliminary data for the six weeks April 1 through May 16 shows there were a further 84 transactions, with a reported value of \$1.4 billion for 69 of them.

The department said in 1977 there were about 580 foreign investment transactions in the United States of which 428 were completed, and the value of the 187 reported transactions was \$3.3 billion.

Company Reports

Consolidated Gold Fields

Year	1977	1978
Revenue	202.44	206.20
Profit	7.02	0.24 loss
Per Share	0.259	

(Figures in Australian Dollars)

De Beers Cons. Mines

Year	1977	1978
Revenue	569.28	453.54
Profit	1.04	0.79

(Figures in Rand)

Thyssen-Bornemisze

Year	1977	1978
Revenue	1,550	1,670
Profit	54.10	57.20

(Figures in Dutch Guilders)

Electrolux

Year	1977	1978
Revenue	5,670	4,250
Profit	389.30	287.80

(Figures in Swedish Kronor)



FUJITSU FANUC LTD
(Fujitsu Fanuc Kabushiki Kaisha)
Tokyo, Japan

DM 30,000,000

3 1/2% Deutsche Mark Convertible Bonds of 1978/1984

Offering Price: 100%
Interest: 3 1/2% p.a., payable semi-annually on April 1 and October 1
Maturity: April 1, 1984
Conversion Right: from December 1, 1978 into ordinary shares of Fujitsu Fanuc Ltd at a conversion price of DM 21.68 per share

Deutsche Bank
Aktiengesellschaft

The Nikko Securities Co.,
(Europe) Ltd.

The Industrial Bank of Japan
(Luxembourg) S.A.

12 Month Stock										Stk.		Close		Ch'ge			
High	Low	Div.	In \$	Yld.	P/E	100s.	High	Low	Quot.	Close	Prev	100s.	High	Low	Quot.	Close	
12 Month Stock	High	Low	Div.	In \$	Yld.	P/E	100s.	High	Low	Quot.	Close	Prev	100s.	High	Low	Quot.	Close

[illegible]

olivetti international s.a.

Guaranteed by
Ing. C. Olivetti & C., S.p.A.

كتاب الاموال

Official

[illegible]

To our readers...

Please let us know about any problems you may have obtaining your copy of the International Herald Tribune. Write with all pertinent information to:

François Desmaisons
Circulation Director
International Herald Tribune
181, avenue Charles-de-Gaulle
92200 Neuilly, France.

CHASE MANHATTAN
Limited

Alshfi Bank of Kuwait (K.S.C.)
Algensere Bank Nederland N.V.
A.E. Ames & Co.
Limited
Amsterdamsche Bank N.V.
Arab African International Bank (Cairo)
The Arab and Morgan Grenfell Finance
Company Limited
Banca Commerciale Italiana
Banca del Gottardo
Banca Nazionale del Lavoro
Banco di Roma
Bank of America International
Limited
Bank Julius Baer International
Limited
Bank für Gemeinwirtschaft
Aktiengesellschaft
Bank Leu International Ltd.
Bank Mees & Hope N.V.
The Bank of Tokyo (Holland) N.V.
Banque Arabe et Internationale
d'Investissement (B.A.I.I.)
Banque Bruxelles Lambert S.A.
Banque de Commerce S.A.
Banque Française du Commerce Extérieur
Banque Générale du Luxembourg
Société Anonyme
Banque de l'Indochine et de Suez
Bank Internationale à Luxembourg S.A.
Banque Nationale de Paris
Banque de Neuflize, Schlämberger, Mallet
Banque de Paris et des Pays-Bas
Banque Populaire Suisse S.A. Luxembourg
Banque de l'Union Européenne
Bayerische Hypotheken- und
Wechsel-Bank
Bayerische Landesbank Girozentrale
Bayerische Vereinsbank
Joh. Berenberg, Goessler & Co.
Bergan Bank
Berliner Handels-
und **Frankfurter Bank**
Blyth Eastman Dillon & Co.
International Limited
B.S.I. Underwriters Limited
Caisse des Dépôts et Consignations
Christiana Bank og Kreditkassse
Citicorp International Group
Compagnie Mésageage de Banque
Copenhagen Handelsbank
County Bank
Limited
Creditanstalt-Bankverein
Crédit Commercial de France
Crédit Industriel et Commercial
Crédit Lyonnais
Credito Italiano
Credit Suisse White Wolf
Limited
Deutsche Kreditbank (Schweiz) AG
Deutsche Kreditbank N.V.

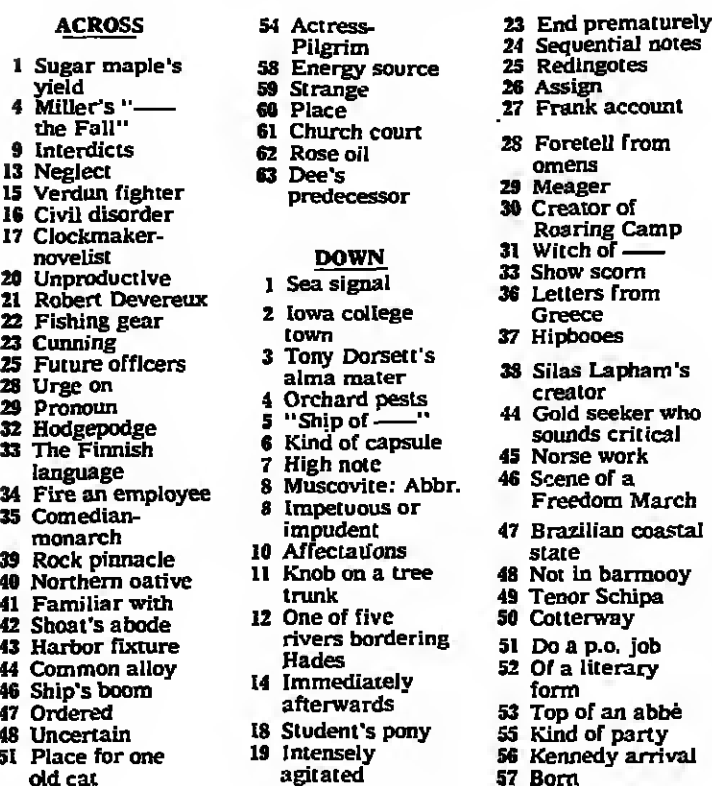
WESTDEUTSCHE LANDESBANK
GIROZENTRALE

Richard Deuss & Co.
Bankiers
Den Danske Bank
of 1871 Aktieselskab
Den Danske Provinsbank A/S
Den norske Creditbank
Deutsche Girozentrale
- **Deutsche Kommunalbank** -
DG Bank
Deutsche Genossenschaftsbank
Dillon, Read Overseas Corporation
Drexel Burnham Lambert
Incorporated
Effectenbank-Warburg
Aktiengesellschaft
Euro mobilière S.p.A.
Compagnie Europée Intermbilière
European Banking Company
Limited
First Boston (Europe)
Limited
Genossenschaftliche Zentralbank
Aktiengesellschaft, Vienna
Girozentrale und Bank
der österreichischen Sparkassen
Aktiengesellschaft
Goldman Sachs International Corp.
Hambro Bank
Limited
Hamburgische Landesbank
- **Girozentrale** -
Handelsbank N.W. (Overseas)
Limited
Hessische Landesbank
- **Girozentrale** -
Hill Samuel & Co.
Limited
E.F. Hutton & Co. N.V.
The Industrial Bank of Kuwait K.S.C.
Industriebank von Japan (Deutschland)
Aktiengesellschaft
Istituto Bancario San Paolo di Torino
Kansallis-Osake-Pankki
Kidder, Peabody International
Limited
Kleinwort, Benson
Limited
Kreditbank N.V.
Kreditbank S.A. Luxembourg
Kuhn Loeb Lehman Brothers
International
Kuwait Foreign Trading, Contracting
and **Investment Co. (S.A.K.)**
Kuwait International Investment Co. s.a.k.
Kuwait Investment Company (S.A.K.)
Landesbank Rheinland-Pfalz
- **Girozentrale** -
Lazard Brothers & Co.
Limited
Lazard Frères et Cie.
Lloyds Bank International
Limited
Manufacturers Hanover
Limited
McLeod, Young, Weir International
Limited
Merrill Lynch International & Co.

UNION BANK OF SWITZERLAND
(SECURITIES) Limited

B. Metzler zael. Sohn & Co.
Mitsubishi Bank (Europe) S.A.
Samuel Montagu & Co.
Limited
Morgan Grenfell & Co.
Limited
Morgan Stanley International
Limited
National Bank of Abu Dhabi.
The National Bank of Kuwait S.A.K.
Nederlandsche Creditbank NV
The Nikko Securities Co., (Europe) Ltd.
Nippon European Bank S.A.
Nomura Europe N.V.
Norddeutsche Landesbank
Girozentrale
Sa. Oppenheim jr. & Cie.
Orion Bank
Limited
Pearson, Hekking & Pearson N.V.
PKBanken
Postipankki
Privatbanken Aktieselskab
Renouf & Co.
Rothschild Bank AG
N.M. Rothschild & Sons
Limited
Salomon Brothers International
Limited
J. Henry Schroder Wagg & Co.
Incorporated
Skandinaviska Enskilda Banken
Smith Barney, Harris Upham & Co.
Incorporated
Société Générale de Banque S.A.
Sparkassen Bank
Sumitomo Finance International
Svenska Handelsbanken
Swiss Bank Corporation (Overseas)
Limited
Thikana & Burkhart
Union Bank of Finland Ltd.
United Chase Merchant Bankers
Limited
United Overseas Bank
Limited
Verband Schweizerischer Kantonalbanken
Verkehrs- und Westbank
Aktiengesellschaft
J. Vortobal & Co.
M.M. Warburg-Brinckmann, Wirtz & Co.
S.G. Warburg & Co. Ltd.
Wardley
Limited
Westfalentank
Aktiengesellschaft
Weyl & Asia
Limited
Wood Gundy Limited
Yamaichi International (Europe)
Limited

By Eugene T. Maleska



ALGARVE	25	C	F	MADRID	32	C	F
AMSTERDAM	26	48	Fair	MIAMI	30	80	Fair
ANKARA	28	73	Cloudy	MILAN	24	79	Fair
ATHENS	33	66	Fair	MONTREAL	22	72	Cloudy
BEIRUT	30	66	Fair	MOSCOW	24	75	Cloudy
BILBAO	27	81	Fair	MUNICH	25	81	Fair
BERLIN	30	48	Cloudy	NEW YORK	31	57	Fair
BRUSSELS	21	70	Cloudy	NICE	24	79	Haze
BUCHAREST	28	48	Cloudy	SOLLO	21	70	Haze
BUENOS AIRES	26	70	Fair	PARIS	26	48	Overcast
CASABLANCA	24	75	Fair	PRAGUE	23	73	Mist
COPENHAGEN	28	48	Cloudy	ROME	27	81	Haze
COSTA DEL SOL	31	86	Fair	SOFIA	25	79	Fair
DUBLIN	15	59	Overcast	STOCKHOLM	19	46	Cloudy
DUNDEE	13	63	Cloudy	TEHRAN	35	95	Fair
FLORENCE	29	84	Haze	TEL AVIV	34	83	Fair
FRANKFURT	24	75	Cloudy	TOKYO	33	95	Fair
GENEVA	23	77	Mist	TUNIS	28	62	Fair
HELSINKI	21	70	Haze	VIENNA	31	81	Fair
ISTANBUL	35	77	Fair	WASING	21	80	Hazy
LAS PALMAS	24	79	Fair	WASHINGTON	27	81	Fair
LISBON	30	66	Haze	ZURICH	25	77	Fair
LONDON	19	46	Cloudy				
LOS ANGELES	17	62	Cloudy				

(Yesterday's readings U.S. and Canada at 1700)

ADVERTISEMENT

August 23, 1978

The net asset value quotations shown below are supplied by the Funds listed with the exception of some Swiss funds whose quotes are based on issue prices. The following marginal symbols indicate frequency of quotations supplied for the BIL: (d)—daily; (w)—weekly; (m)—monthly; (r)—regularly; (i)—irregularly.

[illegible]

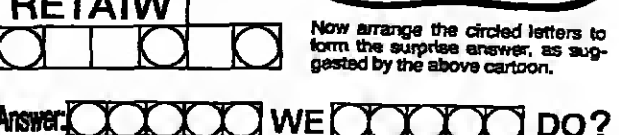
100



THAT SCRAMBLED WORD GAME

by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.



(Answers tomorrow)

Yesterday's Jumbles: CAMEO JUMPY ELIXIR TALKER
Answer: What the student beautician had to take—
A MAKEUP EXAM

THE PACIFIC WAR

World War II and the Japanese, 1931-1945
By Saburo Ienaga. Pantheon Books, \$16 pp. \$10.

Reviewed by Drew Middleton

THE JAPANESE experience during World War II, which for Japan began with the initial moves against China in 1931, was one of the most traumatic ever experienced by a belligerent nation. After a decade of military triumphs, years from triumph to seeming tragedy, suffered enormous losses in blood and treasure, and to the final phase endured two attacks by

The public is fairly well acquainted with the military history of the war. But Americans and Europeans, except for academic specialists, have little knowledge of what went on in Japan and in the colonies. The Japanese periodical, "The Pacific War" provides that picture in elaborate and sometimes terrifying detail. I believe that no one can really understand contemporary Japan and its political contentions if he acquiesces with the grim story Saburo Senaga presents.

There is a definite bias to the

account, which robs it of some of its validity. Anyone who writes, as Ienaga does, that "American aggression against the people of China and Vietnam is the replay of the Japan-China war" either is ignorant of history in the largest sense or is biased.

One of the more effective sections of the book deals with the extent of the military control of Japan's government. Americans tend to regard the German Army's influence in Wilhelm Germany

"bomb."

One result was that when imperial Japan sank into defeat in 1945, the number of people who were prepared. Another was that because of the censorship, the Japanese at home did not know of the atrocities committed by their forces in China, Malaysia, the Philippines and the East Indies. They had been fed on a constant diet of propaganda that extolled the bravery and stamina of the imperial forces and ridiculed the Chinese, U.S. and British

book makes clear, the Japanese Army and, to a lesser extent, the Navy ruled Japan from 1931 onward. Not under Wilhelm II and certainly not under Hitler did the German staff exercise comparable authority.

In 1940, for example, the army's vice minister and the vice chief of

staff decided that the civilian cabinet should be replaced to expedite the war effort. The chief of staff, Prince Kan'in, agreed. In that somewhat cloudy language used for all great Japanese decisions, he said, "If a majority of the army regard a cabinet change as necessary, the cabinet of the emperor would be extraordinary measures would be unavoidable."

fenaga's treatment of the motivations for the Japanese adventure in China puts economic domination of China as the principal objective. But I question whether his emphasis on "the defense against Communism" is warranted. Clearly, the Japanese high command was strongly anti-Communist. But the Soviet Union of 1937 could not be considered a formidable foe. Nor is his statement that "the latent communist interest in Japan's anti-Communist crusade" made "America and England willing to tolerate a considerable erosion of their position in China" acceptable. In the "war-wasted region where the people's independence and their very lives were devastated by brutal military oppression and economic exploitation."

There is also a tendency toward simplifying the complex issues that led the Japanese, already deeply committed in China, to attack the Americans, British and Dutch. The author sees that choice as between halting the war in China, after a tremendous investment, or expanding it to get oil. Japan, he argues, went to war because of its lack of resources. But Ienaga emphasizes the sad inevitability of the widening of the Chinese sphere of

The West's handling of relations with Japan after World War II clearly reveals the Japanese danger even if some economic interests did not. In 1941, faced with both the German and Japanese threats, the Western governments chose Hitler's Germany as the primary enemy.

Drew Middleton is a military correspondent for The New York Times

In Bull-Running

BILBAO, Spain, Aug. 23 (UP) — A bus stop shelter overwhelmed with youths jumping up to escape charging bull, collapsed today.

The youths had scrambled onto the metal roofing in a running tangle of bulls similar to the one each year in the city of Pamplona.

Jose Ignacio del Rio, 20, was the first to fall from the roof and was injured by falling roof and killed, the police said. Another youth's foot was chopped off and the others injured. The youths were then thrown down the stairs, onto the bus stop and hurt.

By Alan Truscott

The ace and queen of hearts picked up the defender's remaining cards in that suit and South re-

normal auction led to three no-trump, and the spade ten was led, won with the queen in dummy.

South led the heart to his jack, unwilling to disturb any of his entries for the dubious advantage of leading hearts from his hand. West took the heart king and led another spade, taken by declarer's ace.

NORTH
♠ 7

NORTH (D)		♠ A 107	
♠ Q3		WEST	EAST
♥ A Q 973		♥ —	♥ J
♦ A 1076		♦ 395	♦ Q8
♣ A7		♣ 8	♣ K
WEST	EAST	SOUTH	
♠ 1098	♠ 7765	♠ 5	
♥ K52	♥ 1086	♥ —	
♦ 3954	♦ Q83	♦ K2	
♣ 954	♣ K Q J		
SOUTH			

♠ AK52
 ♥ 14
 ♦ K2
 ♣ 65532

Both sides were vulnerable. The bidding:

North	East	South	West
♥	Pass	2♣	Pass
♦	Pass	2NT.	Pass
3NT.	Pass	Pass	Pass

West led the spade ten.

The lead of the heart from diamond my exerted unusual pressure on East. He could not spare either of his black cards, so he reluctantly gave up a diamond. South then led to his diamond king, and finished the ten, making 11 tricks and achieving a top score by means of a triple guard squeeze.

40410150

3d Title at World Championships

Caulkins Sets 2d Swimming Mark at Berlin

BERLIN, Aug. 23 — Tracy Caulkins posted a world record in the 400-meter individual medley at the world swimming championships here tonight, clocking 4 minutes, 40.83 seconds.

The old mark of 4:42.77 was set

by Ulrike Tauber of East Germany when she won the gold medal at the 1976 Olympic Games in Montreal. Tauber placed second tonight. Petra Schneider was third in 4:48.55.

It was the second world record and third gold medal in the cham-

ionships for the 15-year-old swimmer. Caulkins has won gold medals in this meet in the women's 200-meter individual medley and the women's 400-meter medley relay. On Sunday, Caulkins

beat her own world mark in the 200-meter individual medley by

more than a second with a time of 2:14.07.

Caulkins reached the first 100 meters trailing teammate Nancy Hogshead. Then she cranked up the pace through the middle of the race and turned in a blistering last 100-meter freestyle leg to leave Tauber gasping seven meters adrift.

Nevid Wins Gold

In the men's 200-meter breaststroke, Nick Nevid of the United States captured the gold with a time of 2:18.37. Arsen Miskarov of the Soviet Union won the silver in 2:18.42 and the bronze went to Walter Kusch of West Germany, who clocked 2:20.16.

Helen Vanderburg of Canada captured the gold medal in women's synchronized swimming with 187.849 points.

Pamela Tryon of the United States, who had been the favorite, placed second with 181.499. Yumiko Umezaki of Japan was third with 179.63.

Vladimir Salnikov of the Soviet Union won the men's 400-meter freestyle with a European record time of 3:51.94. Salnikov, in a final surge, passed Jeff Float and Bill Forrester of the United States, who finished second and third. Float's time was 3:53.42 and Forrester's was 3:53.97.

Rusin, ranked third in the world in the event and holder of the old European record, finished fourth in 3:55.46.

Jesse Vassallo of the United States won the gold in the men's 200-meter backstroke with a time of 2:02.16, followed by Gary Hurring of New Zealand with 2:03.71.

Vassallo took the bronze medal in 2:03.90. Vassallo, who yesterday won the 400-meter individual medley with a

world record of 4:20.05, sprinted down the last 50 meters to win.

The gold medal in the women's 100-meter butterfly went to Mary-Jean Pennington of the United States, who clocked 1:00.20. Andrea Pollack of East Germany captured the silver in 1:00.26 and Nancy Quirk of Canada won the bronze with a time of 1:01.82. With one final remaining Pennington edged world record-holder Pollack by 6-100ths of a second 40 with a thrilling finish.

Vanderburg's victory in the synchronized event gave Canada its first gold medal in the championships. Vanderburg produced a challenging program, similar to ballet, to music by Sibelius, Gounod, and Shostakovich.

Marked on a point system similar to that used for ice skating, synchronized swimmers compete in three disciplines: the solo, duet, and team. The finals in the last two categories will be held on Friday and Sunday.

In water polo competition, Italy and Hungary, the world champion, clinched places in the finals today. Hungary rattled in 11 goals to Bulgaria's 6 while a 4-4 draw with the United States enabled Italy to qualify.



Mets' John Stearns has just stolen second and is trying for third when San Francisco shortstop Roger Metzger appears in his path. Stearns tries to hop over Metzger but settles for second.

Stargell, Berra Homer

Pirates Beat Braves, Streak Goes to 8

ATLANTA, Aug. 23 (AP) — Willie Stargell and Dale Berra hit solo home runs and rookie Don Robinson posted his fifth consecutive triumph last night as the Pittsburgh Pirates surged to a 5-1 victory over the Atlanta Braves.

Stargell's second-inning homer was his 18th. That was the only hit yielded by Atlanta starter Mickey Mahler (4-8) until Berra connected in the fifth for his second homer.

Robinson lost his shutout bid in the seventh when Matthews hit his 14th homer. Robinson left in the seventh when he gave up a pair of walks. Kent Tekulve struck out Rod Gilbreath and went on to record his 24th save.

At Cincinnati, Ken Griffey walked with two out in the bottom

of the 11th inning, stole second and scored on George Foster's single to give Cincinnati a 5-4 victory over St. Louis. The victory went to Dave Tomlin, his seventh in eight decisions.

At Houston, Mike Lemonello scattered seven hits and Bruce Battered drove in a sixth-inning run with a sacrifice fly to help Houston to a 2-1 victory over Chicago. Lemonello struck out two and walked two in his eighth complete game.

At New York, Darrell Evans hit a three-run homer in the third inning and rookie John Tamaro followed with his first career home run, leading San Francisco to a 7-4 victory over New York. The triumph moved San Francisco within a half-game of first-place Los Angeles in National League West.

At Philadelphia, Mike Schmidt's two doubles and an RBI and Bake

McBride's three hits and two RBIs sparked Philadelphia to a 5-3 victory over San Diego last night, snapping its six-game winning streak. Larry Christenson (9-12) picked up the victory with 1½ innings of relief from Ron Reed, who was credited with his 11th save.

Eric Rasmussen (12-10), who lasted just less than three innings, was the loser.

At Milwaukee, Cecil Cooper's single with the bases loaded and two out in the ninth inning capped a three-run rally that lifted Milwaukee to a 5-1 victory and a doubleheader sweep of Cleveland. Larry Hise's double in the eighth gave Milwaukee a 3-2 victory in the opener.

At Chicago, Al Cowens drove in three runs with a two-run homer and a single to lead left-hander Larry Gura and Kansas City to a 6-3 victory over Chicago in a game played under protest. Chicago filed a protest in the fourth inning, contending Hal McRae was using a bat with cork impregnated in the tip, thereby making it illegal. The claim came after McRae had singled to score Frank White, who had tripped.

At Anaheim, Calif., Cal Hush Hunter registered his fifth consecutive victory with a six-hitter and Lou Piniella singled twice to drive home one run and score another in a 6-2 decision by New York over California. Piniella led off the three-run second inning with a single off loser Frank Tanana (16-8). Tanana was charged with one out in the fifth, his earliest departure of the season. Singles by Mickey Rivers, Willie Randolph and Piniella produced the fourth New York run.

At Seattle, Glenn Abbott tossed a five-hitter and Bruce Bochte hit a two-run homer to lift Seattle to a 5-2 triumph over Boston. It was Seattle's second decision in seven games against Boston this year and Abbott (6-10) has both with complete-game victories.

At Anaheim, Calif., Cal Hush Hunter registered his fifth consecutive victory with a six-hitter and Lou Piniella singled twice to drive home one run and score another in a 6-2 decision by New York over California. Piniella led off the three-run second inning with a single off loser Frank Tanana (16-8). Tanana was charged with one out in the fifth, his earliest departure of the season. Singles by Mickey Rivers, Willie Randolph and Piniella produced the fourth New York run.

At Anaheim, Calif., Cal Hush Hunter registered his fifth consecutive victory with a six-hitter and Lou Piniella singled twice to drive home one run and score another in a 6-2 decision by New York over California. Piniella led off the three-run second inning with a single off loser Frank Tanana (16-8). Tanana was charged with one out in the fifth, his earliest departure of the season. Singles by Mickey Rivers, Willie Randolph and Piniella produced the fourth New York run.

At Anaheim, Calif., Cal Hush Hunter registered his fifth consecutive victory with a six-hitter and Lou Piniella singled twice to drive home one run and score another in a 6-2 decision by New York over California. Piniella led off the three-run second inning with a single off loser Frank Tanana (16-8). Tanana was charged with one out in the fifth, his earliest departure of the season. Singles by Mickey Rivers, Willie Randolph and Piniella produced the fourth New York run.

At Anaheim, Calif., Cal Hush Hunter registered his fifth consecutive victory with a six-hitter and Lou Piniella singled twice to drive home one run and score another in a 6-2 decision by New York over California. Piniella led off the three-run second inning with a single off loser Frank Tanana (16-8). Tanana was charged with one out in the fifth, his earliest departure of the season. Singles by Mickey Rivers, Willie Randolph and Piniella produced the fourth New York run.

At Anaheim, Calif., Cal Hush Hunter registered his fifth consecutive victory with a six-hitter and Lou Piniella singled twice to drive home one run and score another in a 6-2 decision by New York over California. Piniella led off the three-run second inning with a single off loser Frank Tanana (16-8). Tanana was charged with one out in the fifth, his earliest departure of the season. Singles by Mickey Rivers, Willie Randolph and Piniella produced the fourth New York run.

At Anaheim, Calif., Cal Hush Hunter registered his fifth consecutive victory with a six-hitter and Lou Piniella singled twice to drive home one run and score another in a 6-2 decision by New York over California. Piniella led off the three-run second inning with a single off loser Frank Tanana (16-8). Tanana was charged with one out in the fifth, his earliest departure of the season. Singles by Mickey Rivers, Willie Randolph and Piniella produced the fourth New York run.

At Anaheim, Calif., Cal Hush Hunter registered his fifth consecutive victory with a six-hitter and Lou Piniella singled twice to drive home one run and score another in a 6-2 decision by New York over California. Piniella led off the three-run second inning with a single off loser Frank Tanana (16-8). Tanana was charged with one out in the fifth, his earliest departure of the season. Singles by Mickey Rivers, Willie Randolph and Piniella produced the fourth New York run.

At Anaheim, Calif., Cal Hush Hunter registered his fifth consecutive victory with a six-hitter and Lou Piniella singled twice to drive home one run and score another in a 6-2 decision by New York over California. Piniella led off the three-run second inning with a single off loser Frank Tanana (16-8). Tanana was charged with one out in the fifth, his earliest departure of the season. Singles by Mickey Rivers, Willie Randolph and Piniella produced the fourth New York run.

At Anaheim, Calif., Cal Hush Hunter registered his fifth consecutive victory with a six-hitter and Lou Piniella singled twice to drive home one run and score another in a 6-2 decision by New York over California. Piniella led off the three-run second inning with a single off loser Frank Tanana (16-8). Tanana was charged with one out in the fifth, his earliest departure of the season. Singles by Mickey Rivers, Willie Randolph and Piniella produced the fourth New York run.

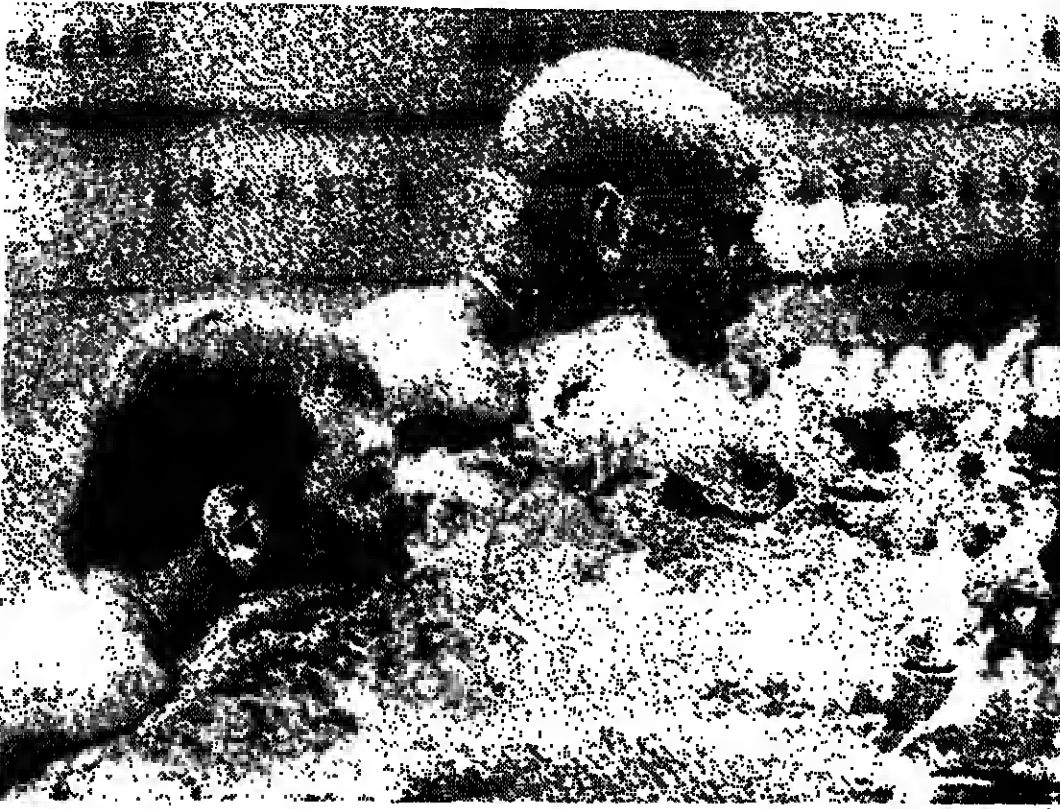
At Anaheim, Calif., Cal Hush Hunter registered his fifth consecutive victory with a six-hitter and Lou Piniella singled twice to drive home one run and score another in a 6-2 decision by New York over California. Piniella led off the three-run second inning with a single off loser Frank Tanana (16-8). Tanana was charged with one out in the fifth, his earliest departure of the season. Singles by Mickey Rivers, Willie Randolph and Piniella produced the fourth New York run.

At Anaheim, Calif., Cal Hush Hunter registered his fifth consecutive victory with a six-hitter and Lou Piniella singled twice to drive home one run and score another in a 6-2 decision by New York over California. Piniella led off the three-run second inning with a single off loser Frank Tanana (16-8). Tanana was charged with one out in the fifth, his earliest departure of the season. Singles by Mickey Rivers, Willie Randolph and Piniella produced the fourth New York run.

At Anaheim, Calif., Cal Hush Hunter registered his fifth consecutive victory with a six-hitter and Lou Piniella singled twice to drive home one run and score another in a 6-2 decision by New York over California. Piniella led off the three-run second inning with a single off loser Frank Tanana (16-8). Tanana was charged with one out in the fifth, his earliest departure of the season. Singles by Mickey Rivers, Willie Randolph and Piniella produced the fourth New York run.

At Anaheim, Calif., Cal Hush Hunter registered his fifth consecutive victory with a six-hitter and Lou Piniella singled twice to drive home one run and score another in a 6-2 decision by New York over California. Piniella led off the three-run second inning with a single off loser Frank Tanana (16-8). Tanana was charged with one out in the fifth, his earliest departure of the season. Singles by Mickey Rivers, Willie Randolph and Piniella produced the fourth New York run.

At Anaheim, Calif., Cal Hush Hunter registered his fifth consecutive victory with a six-hitter and Lou Piniella singled twice to drive home one run and score another in a 6-2 decision by New York over California. Piniella led off the three-run second inning with a single off loser Frank Tanana (16-8). Tanana was charged with one out in the fifth, his earliest departure of the season. Singles by Mickey Rivers, Willie Randolph and Piniella produced the fourth New York run.



Graham Smith of Canada struggles to overtake bald-headed Duncan Goodhew of England in the first heat of the 200-meter breaststroke on Wednesday at the world swimming championships.

Dibbs Dismisses Amaya in U.S. Pro Tennis Tourney

BROOKLINE, Mass., Aug. 23 (UPI) — Top-seed Eddie Dibbs handled the booming serve of 6-foot-7 Victor Amaya last night to win in straight sets, 6-4, 6-2, and advance to the second round of the U.S. Professional Tennis Championships.

Second-seed Raul Ramirez and third-seed Corrado Barazzutti also won easy first-round victories.

The 5-foot-7 Dibbs, who has won his last two tournaments, including last week's Canadian Open, broke Amaya's serve in the ninth game of the opening set and then won seven of the next nine games to oust Amaya in 55 minutes.

"At the beginning I was worried, because he was playing so well. He serves awfully well and it's always tough to break a guy's serve like that. But he broke down at the end," said Dibbs. "I just didn't miss too many shots tonight."

Ramirez won by a default over

Ivan Molina after building a 3-1 lead in the first set. Molina twisted an ankle while chasing a cross-court volley, rested a few minutes and returned. But Ramirez scored a service ace on the next point and Molina conceded the match.

Barazzutti, saying he was extremely tired after a transatlantic flight, stayed on the baseline to oust Telly Swenson, 6-1, 7-6.

Barazzutti needed 90 minutes to oust Swenson. The Italian breezed through the opening set but Swenson stiffened and took the second set to a tiebreaker. Swenson made two unforced errors, the final one on match point when he missed an overhead, to give the Barazzutti the victory.

In other action, Wojtek Fibak, the sixth seed, beat Pascal Portez, 5-7, 6-4, 6-2; seventh-seed Jose Higueras beat Heinz Gunthard, 6-3, 6-1; Adriano Panatta ousted Bob

Hewitt, 6-4, 6-3; Cary Stansbury defeated Cliff Letcher, 6-3, 1-6, 6-3. Tom Okker ousted Lito Alvarez, 6-7, 6-4, 6-1; Jose Clerc, a finalist in last week's Canadian Open, beat Patricio Cornejo, 7-6, 7-5; and Balazs Taroczy defeated Brad Preveti, 6-3, 6-0.

Barazzutti, saying he was extremely tired after a transatlantic flight, stayed on the baseline to oust Telly Swenson, 6-1, 7-6.

Barazzutti needed 90 minutes to oust Swenson. The Italian breezed through the opening set but Swenson stiffened and took the second set to a tiebreaker. Swenson made two unforced errors, the final one on match point when he missed an overhead, to give the Barazzutti the victory.

In other action, Wojtek Fibak, the sixth seed, beat Pascal Portez, 5-7, 6-4, 6-2; seventh-seed Jose Higueras beat Heinz Gunthard, 6-3, 6-1; Adriano Panatta ousted Bob

Hewitt, 6-4, 6-3; Cary Stansbury defeated Cliff Letcher, 6-3, 1-6, 6-3. Tom Okker ousted Lito Alvarez, 6-7, 6-4, 6-1; Jose Clerc, a finalist in last week's Canadian Open, beat Patricio Cornejo, 7-6, 7-5; and Balazs Taroczy defeated Brad Preveti, 6-3, 6-0.

Barazzutti, saying he was extremely tired after a transatlantic flight, stayed on the baseline to oust Telly Swenson, 6-1, 7-6.

Barazzutti needed 90 minutes to oust Swenson. The Italian breezed through the opening set but Swenson stiffened and took the second set to a tiebreaker. Swenson made two unforced errors, the final one on match point when he missed an overhead, to give the Barazzutti the victory.

In other action, Wojtek Fibak, the sixth seed, beat Pascal Portez, 5-7, 6-4, 6-2; seventh-seed Jose Higueras beat Heinz Gunthard, 6-3, 6-1; Adriano Panatta ousted Bob

Hewitt, 6-4, 6-3; Cary Stansbury defeated Cliff Letcher, 6-3, 1-6, 6-3. Tom Okker ousted Lito Alvarez, 6-7, 6-4, 6-1; Jose Clerc, a finalist in last week's Canadian Open, beat Patricio Cornejo, 7-6, 7-5; and Balazs Taroczy defeated Brad Preveti, 6-3, 6-0.

Barazzutti, saying he was extremely tired after a transatlantic flight, stayed on the baseline to oust Telly Swenson, 6-1, 7-6.

Barazzutti needed 90 minutes to oust Swenson. The Italian breezed through the opening set but Swenson stiffened and took the second set to a tiebreaker. Swenson made two unforced errors, the final one on match point when he missed an overhead, to give the Barazzutti the victory.

In other action, Wojtek Fibak, the sixth seed, beat Pascal Portez, 5-7, 6-4, 6-2; seventh-seed Jose Higueras beat Heinz Gunthard, 6-3, 6-1; Adriano Panatta ousted Bob

Hewitt, 6-4, 6-3; Cary Stansbury defeated Cliff Letcher, 6-3, 1-6, 6-3. Tom Okker ousted Lito Alvarez, 6-7, 6-4, 6-1; Jose Clerc, a finalist in last week's Canadian Open, beat Patricio Cornejo, 7-6, 7-5; and Balazs Taroczy defeated Brad Preveti, 6-3, 6-0.

Barazzutti, saying he was extremely tired after a transatlantic flight, stayed on the baseline to oust Telly Swenson, 6-1, 7-6.

Barazzutti needed 90 minutes to oust Swenson. The Italian breezed through the opening set but Swenson stiffened and took the second set to a tiebreaker. Swenson made two unforced errors, the final one on match point when he missed an overhead, to give the Barazzutti the victory.

In other action, Wojtek Fibak, the sixth seed, beat Pascal Portez, 5-7, 6-4, 6-2; seventh-seed Jose Higueras beat Heinz Gunthard, 6-3, 6-1; Adriano Panatta ousted Bob

Fire Kills 36 U.S. Horses

EVANSVILLE, Ind., Aug. 23 (AP) — A fire destroyed a barn early today, killing 36 horses at Ellis Park just south of Evansville in Henderson County, Ky., police said. They said three horses were saved. A groom suffered burns on his back leading a horse to safety.

EVANSVILLE, Ind., Aug. 23 (AP) — A fire destroyed a barn early today, killing 36 horses at Ellis Park just south of Evansville in Henderson County, Ky., police said. They said three horses were saved. A groom suffered burns on his back leading a horse to safety.

EVANSVILLE, Ind., Aug. 23 (AP) — A fire destroyed a barn early today, killing 36 horses at Ellis Park just south of Evansville in Henderson County, Ky., police said. They said three horses were saved. A groom suffered burns on his back leading a horse to safety.

EVANSVILLE, Ind., Aug. 23 (AP) — A fire destroyed a barn early today, killing 36 horses at Ellis Park just south of Evansville in Henderson County, Ky., police said. They said three horses were saved. A groom suffered burns on his back leading a horse to safety.

EVANSVILLE, Ind., Aug. 23 (AP) — A fire destroyed a barn early today, killing 36 horses at Ellis Park just south of Evansville in Henderson County, Ky., police said. They said three horses were saved. A groom suffered burns on his back leading a horse to safety.

EVANSVILLE, Ind., Aug. 23 (AP) — A fire destroyed a barn early today, killing 36 horses at Ellis Park just south of Evansville in Henderson County, Ky., police said. They said three horses were saved. A groom suffered burns on his back leading a horse to safety.

EVANSVILLE, Ind., Aug. 23 (AP) — A fire destroyed a barn early today, killing 36 horses at Ellis Park just south of Evansville in Henderson County, Ky., police said. They said three horses were saved. A groom suffered burns on his back leading a horse to safety.

EVANSVILLE, Ind., Aug. 23 (AP) — A fire destroyed a barn early today, killing 36 horses at Ellis Park just south of Evansville in Henderson County, Ky., police said. They said three horses were saved. A groom suffered burns on his back leading a horse to safety.

EVANSVILLE, Ind., Aug. 23 (AP) — A fire destroyed a barn early today, killing 36 horses at Ellis Park just south of Evansville in Henderson County, Ky., police said. They said three horses were saved. A groom suffered burns on his back leading a horse to safety.

EVANSVILLE, Ind., Aug. 23 (AP) — A fire destroyed a barn early today, killing 36 horses at Ellis Park just south of Evansville in Henderson County, Ky., police said. They said three horses were saved. A groom suffered burns on his back leading a horse to safety.

EVANSVILLE, Ind., Aug. 23 (AP) — A fire destroyed a barn early today, killing 36 horses at Ellis Park just south of Evansville in Henderson County, Ky., police said. They said three horses were saved. A groom suffered burns on his back leading a horse to safety.

EVANSVILLE, Ind., Aug. 23 (AP) — A fire destroyed a barn early today, killing 36 horses at Ellis Park just south of Evansville in Henderson County, Ky., police said. They said three horses were saved. A groom suffered burns on his back leading a horse to safety.

EVANSVILLE, Ind., Aug. 23 (AP) — A fire destroyed a barn early today, killing 36 horses at Ellis Park just south of Evansville in Henderson County, Ky., police said. They said three horses were saved. A groom suffered burns on his back leading a horse to safety.

EVANSVILLE, Ind., Aug. 23 (AP) — A fire destroyed a barn early today, killing 36 horses at Ellis Park just south of Evansville in Henderson County, Ky., police said. They said three horses were saved. A groom suffered burns on his back leading a horse to safety.

EVANSVILLE, Ind., Aug. 23 (AP) — A fire destroyed a barn early today, killing 36 horses at Ellis Park just south of Evansville in Henderson County, Ky., police said. They said three horses were saved. A groom suffered burns on his back leading a horse to safety.

EVANSVILLE, Ind., Aug. 23 (AP) — A fire destroyed a barn early today, killing 36 horses at Ellis Park just south of Evansville in Henderson County, Ky., police said. They said three horses were saved. A groom suffered burns on his back leading a horse to safety.

Colts' Mitchell Said Due for Trade

BALTIMORE, Aug. 23 (AP) — With no settlement in sight in his contract dispute with the Baltimore Colts, Lyndell Mitchell is apparently on the trading block. "I think it is best for all concerned that we trade him," said Ted Marchbroda, the Baltimore coach.

Mitchell, a three-time 1,000-yard rusher for the Colts, apparently agreed to be traded after owner Robert Irsay rejected a compromise that was reached after 12 to 14 hours of negotiations by the representatives of the National Football League Players Association; the NFL Management Council; Mitch-

ell; his attorney Lee Goldberg; Dick Szymanski, Colt general manager; Ernie Accorsi, assistant general manager; and Michael Chernoff, Colts general counsel.

But the agreement, which was also acceptable to the NFL Player-Club Relations Committee, was not acceptable to Irsay. "I said no to him," said Irsay. He added that his disapproval was not only because of the racism charge lodged by Mitchell, but because of his contract demands. "It was the money," he said. "I'm not going to pay him that amount. That's it."

The former Penn State University star, who is in the option year of his contract, was reportedly seeking a \$200,000 salary based on his performance.

The Colts were reportedly offering a salary of between \$150,000 and \$175,000, a figure Mitchell found unacceptable.

French Cyclist Dies

ORLEANS, France, Aug. 23 (Reuters) — Jean Jacques Fussier, 26, a French sprint cyclist, died today of head injuries he sustained in a fall on Monday while training.

Old Buildings Refitted, New Ones Set for Re-Use

Olympic Village Rises in Moscow for 1980 Games

By Craig R. Whitney

MOSCOW, Aug. 23 (NYT) — At the airports, Aeroflot's sleek jets are being fitted out with the bold motto "Official Olympic Carrier." On the southwest edge of the city, brigades of construction workers from as far away as Azerbaijan and Georgia are raising the 16-story buildings that will soon become the Olympic village for the 1980 games.

If there is any place where it can be guaranteed that the facilities will be ready in time, the Soviet Union must be it; and officials of the Olympic organizing committee here say everything is going according to plan.

"It will cost 220-230 million rubles (\$319-333 million)," explained Allan Starodub, an official of the committee, during a tour of

the construction sites recently. "We expect it will pay for itself," he added, "but we'll see."

Modernization Program

Many of the Olympic facilities, in fact, were already here long before Moscow was designated as the 1980 site, and are simply being modernized or expanded for the games. The central complex, the massive Lenin Stadium on the Moscow River, was built 22 years ago. It is now swarming with construction workers who will refit it and complement it with sports arenas, an open swimming pool, and a "palace of sports" for the games.

The Olympic village is sprouting from what used to be the farms and orchards of Troparovo around its unused but still-standing onion-

domed church, and the pace of the construction due by crews from all over the country seems to indicate a national effort of the first magnitude.

Already a new television transmission center is being built next to the existing one at Ostankino, presumably with some of the \$36 million that the National Broadcasting Co. paid the Soviet government for U.S. television rights. In all, it will cost NBC \$85 million.

Football stadiums, basketball courts, and gymnasiums are springing up all over Moscow, and the official emblem — a schematic representation of one of the famous Moscow gingerbread skyscrapers above the five Olympic rings — is seen almost everywhere.

The Olympic village will house 12,000 to 15,000 athletes in 1980

and will have a post office, a polyclinic, a department store and a supermarket to serve them. But it won't go to waste after they leave. It will become new housing for crowded Muscovites.

The Olympic press center being built 40 minutes away downtown will house 400 correspondents and 3,000 television and radio technicians who the government says will be accredited to become headquarters for Novosti — the Soviet propaganda agency.

Even the number of foreign tourists who will be allowed in to see the games is already known — about 300,000 in all, according to Vitaly Smirnov, vice chairman of the Moscow organizing committee.

There will be up to 10,000 foreign tourists here for the games at any one time, Starodub said, "and each will be entitled on the average to one ticket to an Olympic event every day he is here."

"It's clear that there will be greater demand for tickets than we can satisfy," Starodub acknowledged.

Rigid Tourist Itineraries

Foreign visitors will not simply be able to board airplanes to Moscow when the games begin, either. The only way to the games for most of them will be through the Soviet tourism monopoly, Inoutour, which is laying out about 50 different prearranged itineraries. Some Olympic buffs may find themselves being shuffled away on overnight

tours to the other Olympic events in Tallin and Kiev. Others will take sightseeing trips far from the games to Georgia, Soviet Central Asia and Siberia.

One of the advantages of this from the officials' point of view is that overnight train journeys ease the strain on hotel space, which will be critical even though one new tourist hotel with a capacity of 10,000 is being built.

The visa quotas allotted to each country are carefully worked out. "We are preparing to distribute tickets for foreign tourists country by country," Smirnov said, "in proportion to the proposed number of athletes of each country taking part, the size of its population, the volume of tourism and the number of tickets bought for the preceding games."

In theory, that should mean a good number of tickets for Americans, who with about 560 athletes will be the largest single non-Soviet contingent participating in the 1980 games.

Relief at Customs

A new \$100-million terminal being built by a West German firm right now should ease the pain of passing through customs and immigration formalities, which can now stretch out into a two-hour ordeal at antiquated Sheremetyevo. Whether the agonizing waits in line at restaurants and refreshment stands is something else that can be eliminated is less certain.

The Coca-Cola Co. won a contract last spring designating it as "official supplier of soft drinks" at the games, according to Starodub. What this means is that athletes and officials will

